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PARLIAMENTARY DEBATES.

FIRST SESSION, 1920.

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EIGHTH PARLIAMENT.

FIRST SESSION.

Governor-General.

His Excellency the Right Honorable Sir RONALD CRAUFURD MUNRO FERGUSON, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

Australian National Government.

(From 10th January, 1918.)

Prime Minister and Attorney-General	..	The Right Honorable William Morris Hughes, P.C., K.C.
Minister for the Navy .. .. .	..	The Right Honorable Sir Joseph Cook, P.C., G.C.M.G.
Treasurer .. .. .	..	The Right Honorable Lord Forrest, P.C., G.C.M.G.
		<i>Succeeded by</i>
Minister for Defence .. .. .	..	The Right Honorable William Alexander Watt, P.C. (27th March, 1918).
Minister for Repatriation .. ..	..	The Honorable George Foster Pearce.
Minister for Works and Railways	..	The Honorable Edward Davis Millen.
		The Right Honorable William Alexander Watt, P.C.
		<i>Succeeded by</i>
Minister for Home and Territories	..	The Honorable Littleton Ernest Groom (27th March, 1918).
	..	The Honorable Patrick McMahon Glynn, K.C. †††
		<i>Succeeded by</i>
Minister for Trade and Customs	..	The Honorable Alexander Poynton (4th February, 1920).
	..	The Honorable Jens August Jansen.†
		<i>Succeeded by</i>
		The Right Honorable William Alexander Watt, P.C. (13th December, 1918).
		<i>Succeeded by</i>
Postmaster-General .. .. .	..	The Honorable Walter Massy Greene (17th January, 1919).
	..	The Honorable William Webster. †††
		<i>Succeeded by</i>
Vice-President of the Executive Council	..	The Honorable George Henry Wise (4th February, 1920).
	..	The Honorable Littleton Ernest Groom.
		<i>Succeeded by</i>
Honorary Minister .. .. .	..	The Honorable Edward John Russell (27th March, 1918).
	..	The Honorable Edward John Russell.
Honorary Minister .. .. .	..	Appointed Vice-President of the Executive Council, 27th March, 1918.
	..	Appointed Minister for Home and Territories, 4th February, 1920.
Honorary Minister .. .. .	..	The Honorable George Henry Wise.
	..	Appointed Postmaster-General, 4th February, 1920.
Honorary Minister .. .. .	..	The Honorable Walter Massy Greene.
	..	Appointed Minister for Trade and Customs, 17th January, 1919.*
Honorary Minister .. .. .	..	The Honorable Richard Beaumont Orchard**
Honorary Minister .. .. .	..	The Honorable Sir Granville de Laune Ryrie, K.C.M.G., C.B., V.D. ††
Honorary Minister .. .. .	..	The Honorable William Henry Laird Smith.††

* Appointed 26th March, 1918.—† Removed from office, 13th December, 1918.—** Resigned office, 31st January, 1919.—†† Appointed 4th February, 1920.—††† Resigned 3rd February, 1920.

Senators.

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator John Wallace Shannon.

<p>†Bakhap, Thomas Jerome Kingston (T.)</p> <p>Barker, Stephen (V.)</p> <p>Barnes, John (V.)</p> <p>Bolton, William Kinsey (V.)</p> <p>†Buzacott, Richard (W.A.)</p> <p>Crawford, Thomas William (Q.)</p> <p>De Largie, Hon. Hugh (W.A.)</p> <p>Earle, Hon. John (T.)</p> <p>Fairbairn, George (V.)</p> <p>Ferrieks, Myles Aloysius (Q.)</p> <p>Foll, Hattil Spencer (Q.)</p> <p>Gardiner, Hon. Albert (N.S.W.)</p> <p>Givens, Hon. Thomas (Q.)</p> <p>Grant, John (N.S.W.)</p> <p>Guthrie, Robert Storrie (S.A.)</p> <p>Guy, James (T.)</p> <p>Henderson, George (W.A.)</p> <p>Keating, Hon. John Henry (T.)</p> <p>*Long, Hon. James Joseph (T.)</p>	<p>Lynch, Hon. Patrick Joseph (W.A.)</p> <p>Maughan, William John Ryott (Q.)</p> <p>†McDougall, Allan (N.S.W.)</p> <p>Millen, Hon. Edward David (N.S.W.)</p> <p>†Mulcahy, Hon. Edward (T.)</p> <p>Needham, Edward (W.A.)</p> <p>†Newland, John (S.A.)</p> <p>O'Keefe, Hon. David John (T.)</p> <p>O'Loughlin, Hon. James Vincent, V.D. (S.A.)</p> <p>Pearce, Hon. George Foster (W.A.)</p> <p>Plain, William (V.)</p> <p>Pratten, Herbert Edward (N.S.W.)</p> <p>Reid, Matthew (Q.)</p> <p>Rowell, James, C.B. (S.A.)</p> <p>Russell, Hon. Edward John (V.)</p> <p>Senior, William (S.A.)</p> <p>Shannon, John Wallace (S.A.)</p> <p>Thomas, Hon. Josiah (N.S.W.)</p>
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1. Appointed Temporary Chairman of Committees, 26th February, 1920.—* Resignation reported, 20th December, 1918.

† Appointed by State Parliament, 15th January, 1919.—Sworn 26th June, 1919, and elected to fill vacancy, 13th December, 1919.

of the Royal Commission. With the information before me, I honestly think that we could not do better for the next two years than to ratify the agreement. It is quite possible that in the third year we shall be required to pay a higher price for our sugar but if we have to pay increased prices for the first and second years, the people of Australia would not be any better off. According to the report the people, but for this agreement, would have to pay at least 8d. per lb. for sugar at the present time. I am aware that the Commission recommends an increase only from £21 to £22 per ton; but evidently they believe that in all probability sugar will increase in price in the near future. One of the reasons why I am supporting the agreement is that it will take certain powers out of the hands of the Colonial Sugar Refining Company.

MR. HUGHES.—It has done so.

MR. TUDOR.—The Prime Minister has told us what the Colonial Sugar Refining Company are receiving at present, and what they will receive under this agreement. I make the additional amount, according to their own statements, to be 18s. 6d. per ton, including freight 8s., refining charges 2s. 1d., bags 4s., coal 2s. 9d. I regard the Colonial Sugar Refining Company as one of the most unscrupulous concerns in Australia. Time after time they refused to give information before the Royal Commission.

MR. HUGHES.—What I said was that they put the increased charges down at £1 3s. per ton as the actual added cost, and the auditor ascertains that they pay these increased rates.

MR. TUDOR.—On page 10 of the report it is stated—

Appreciable delay in the presentation of the report has been caused by the refusal of the Colonial Sugar Refining Company to furnish certain information called for by the Commission. A special Act was passed by the Commonwealth Parliament to remove any doubt as to the power of the Commission to demand information, but the company maintains its attitude of refusal after the passing of the Act. It is understood that the Government is taking certain action in the matter, and as above indicated, a special report relating to the Colonial Sugar Refining Company's affairs will be furnished.

The report also states that one of the reasons for the increased price of sugar is the appreciation in the value of sugar lands. I have always said that the cost

of living is going up because the price of land is being increased. On page 11 of the report Mr. E. W. Knox, the general manager states that he estimated in 1913 the average value of sugar lands was about £17 per acre, which he thought was a fair and reasonable value; but that in the Herbert district, the principal district in Queensland in which the company is concerned, farmers were paying about £35 per acre for land which should be sold at £17 per acre. It follows, therefore, that if a farmer has to pay more for his land the price of his product must be increased. On page 35 of the report it is stated—

As will be observed by a perusal of this report, it is practically impossible to arrive at any precise result in respect to the average cost of production per ton of sugar cane. The great majority of farmers cultivate small holdings; the average area of land devoted to sugar cane is about 40 acres. Of this area less than two-thirds is harvested each year. As explained elsewhere, the majority of these farmers keep no accounts, and it is only by a careful study of the accounts which were submitted and by viewing the general condition of the industry, that the Commission was able to form an opinion as to how the present rate of wages, prices for raw sugar, cost of living, &c., affect the welfare of the farmer. There is no general evidence of prosperity, nor, with few exceptions, are there any signs of further development. Owing to the Colonial Sugar Refining Company having refused to furnish, confidentially or otherwise, any information in respect to the financial results of the operations of the raw sugar mills in Queensland and New South Wales, the Commission has been unable to obtain complete information in respect to the milling branch of the industry. On the information available, it is found that, with few exceptions, the raw sugar mills are deriving but small and frequently insufficient profits.

In my opinion, it has not been the farmers or the raw mills, but the refiners who have taken the largest share. We were told by the Minister for Trade and Customs (Mr. Greene) that the Colonial Sugar Refining Company are benefactors, inasmuch as they pay more for the cane than do the co-operative mills. It was my privilege, when Minister for Customs, to visit Queensland in 1909, and in the company's office at Herberton, Mr. Mann, the member for the district, and a sugar-grower, stated that when he sent his cane to the co-operative mills he was paid 16s. a ton, whereas the Colonial Sugar Refining Company paid him only 9s.

MR. CORSER.—That is a long time ago.

Mr. TUDOR.—I do not wish the Colonial Sugar Refining Company to be represented as a purely philanthropic institution. If the figures that have been quoted show that the company gives more for cane, we ought to be told the number of tons of cane to the tons of sugar obtained. The company may, for all we know, have been purchasing cane which requires only 8 tons to produce a ton of sugar. The company have taken care to obtain the best positions for their mills, with the farmers at hand, and may well afford, perhaps, to give better prices. I realize, however, that the agreement is the best that can be made, not only for the workers, in the way of improved conditions, and the cane-farmers in the way of increased price per ton, but also for the raw sugar-millers. Under the agreement the company will not receive the proportionate advantage that they had in the past. In the report of the Royal Commission on the Sugar Industry, figures are given showing the retail prices in different places as at the 31st December, 1919, as follows:—United States, 5d. per lb., including duty; Canada, 6½d.; Australia, 3½d.; New Zealand, 4d.; France, 7½d.; Belgium, 7½d.; United Kingdom, 7d. and 7½d. for cubes; South Africa, 5d. for granulated; and Jamaica, 5½d. for “White Albion.” In another part of the report the Commission shows the abnormal prices which obtain at the present time, and says—

Before the war, Java raw sugar could be landed in Australia duty paid for £17 to £18 per ton. On the 4th February, 1920, sales of Java raw sugar were made at £57 per ton nominal. The exchange was at that date adverse to the Australian buyer to the extent of about 35 per cent., and this, of course, adds to the cost accordingly. Leaving out of account, however, the effect of the adverse exchange, and adding £6 12s. 9d. per ton, the present difference (after allowing the maximum discount) between raws and refined, for refining and distributing wholesale, that would bring the price of refined sugar to £63 12s. 9d. per ton wholesale, which would mean nearly £35 per ton above the present fixed price. At present grocers sell for 3½d. a lb., or £32 13s. 4d. per ton, what they receive for £28 12s. 10d. (net after allowing discount) per ton. The selling price is, therefore, 14 per cent. added to the cost price (£4 0s. 6d. on £28 12s. 10d.), and that percentage involves the retailer in loss.

I hope the Prime Minister will go into this matter, because he told us yesterday that he is anxious to do the fair thing

by all concerned. I am not putting in a plea for the retailers, as has been suggested, on account of their votes, but I am anxious that they, together with the consumer, shall, at least, have a just deal. If the price goes up 1d. a lb. to the growers and others, and the refiners get an additional 15s. 6d.—

Mr. HUGHES.—They are really getting only 2s. 6d.

Mr. TUDOR.—Taking all the circumstances into consideration, with the freight and other charges, I am of opinion that 5d. per lb. should be the maximum price to the consumer. I believe this agreement to be the best we can get in the interests of all parties, and I shall support it.

Mr. FENTON (Maribyrnong) [12.48 a.m.].—I am provoked to say a few words by the statement of the Minister for Trade and Customs (Mr. Greene), to the effect that the Colonial Sugar Refining Company is giving a higher price for cane than are the co-operative companies. The honorable gentleman professes to be a co-operationist, and he knows, as well as I do—from about seven years' experience in organizing co-operation amongst the dairyman—that as soon as men try to do something for themselves in that direction, private enterprise does its best to beat them, and private enterprise, having capital behind it, gives higher prices, with the object of making the producer disgusted with his own association, and leading him into the belief that “Codlin is his friend.” I am surprised at such an attitude on the part of the Minister for Trade and Customs, who knows all about tricks of trade, which are not confined to the butter industry.

It appears that we are to obtain from Queensland and New South Wales about 202,000 tons of sugar, and that we shall have to purchase about 100,000 tons. On the 27th February a deputation, representing the sugar interests of Australia, accompanied by quite a number of members of Parliament and others, waited on the Prime Minister. In the course of his reply the Prime Minister said—

We shall have to buy 100,000 tons at, say, £45—according to present prices, that would certainly not be excessive—and 202,000 tons at £30 6s. 8d. What price are we going to fix for the consumer in Australia during the next twelve months? If we fixed a price which

was more than sufficient to give you £30 6s. 8d., if we decided that that was a fair price, then the grower or the miller, or somebody else in the industry would say, "You are selling at 6d. per lb., and we are only getting 3½d. per lb."

The right honorable gentleman then went on to outline the difficulties which would arise. All this evidences the necessity for the House being informed of what the retail price of sugar is likely to be. I do not know whether the honorable member for Franklin (Mr. McWilliams) can get that information.

Mr. McWILLIAMS.—I cannot get it.

Mr. FENTON.—The Minister for Trade and Customs (Mr. Greene), in replying this evening, said that if the honorable member could tell him so-and-so and so-and-so, he would tell him what the retail price of sugar would be. Reference to the *Australian Sugar Journal*, which is one of the best authorities on sugar in the Commonwealth—

Mr. McWILLIAMS.—It is from the mill-owners' point of view.

Mr. FENTON.—At any rate, it would not be likely to fake the prices received from America. From that journal I gather that for the month of December the price was likely to be 12 cents, which is equivalent to about 6d., per lb., that in January it would probably be 11d. per lb., that in February it would possibly be 10d. per lb., and that the f.o.b. price for March, April, and May was likely to be 7½d. per lb. I believe that Cuban sugar was bought forward for delivery in March, April, and May. The figures which I have quoted indicate that instead of sugar showing an upward tendency it is likely to fall.

Mr. CORSER.—No.

Mr. FENTON.—Yet the Prime Minister has practically doubled those prices to-day. He talks about £81 per ton. I think that he is stretching the position remarkably.

Mr. McWILLIAMS.—He is adding to the price of sugar the rate of exchange.

Mr. FENTON.—I fail to see how he arrives at £81 per ton, even by the addition of all incidental charges.

Mr. McWILLIAMS.—There is no rate of exchange against us in Mauritius and Java, so that the figures are absurd.

Mr. FENTON.—On the 27th February last, when a deputation waited upon

the Prime Minister, the right honorable gentleman, speaking from official and authoritative information, said he expected to obtain the 100,000 tons of sugar required from outside sources at £21 per ton.

Mr. McWILLIAMS.—But the Minister for Trade and Customs has added to the cost of the sugar 33 per cent. for exchange when the rate of exchange in Java and Mauritius is in our favour.

Mr. CORSER.—No, the rate of exchange is against us in Java. The price for raw sugar there is £51 6s. per ton.

Mr. FENTON.—I should like to know if it will not be possible to review this agreement twelve months hence.

Mr. McWILLIAMS.—If we are going to encourage the cane-growers to plant fresh areas we must give them fixity of tenure.

Mr. FENTON.—I am prepared to encourage Australian industry, but we have to consider not merely the sugar industry. We have to remember that the consumers are obliged to purchase a thousand and one other articles, all of which have risen tremendously in price. If the cost of sugar alone had increased the consumers would not object to encouraging the cane-growers.

Mr. CORSER.—The cost of sugar production is now so much greater than it was previously. The manures which must be put upon the land have increased in price from 50 to 100 per cent.

Mr. McWILLIAMS.—The same remark applies to the fruit-growers.

Mr. FENTON.—We are entitled to know where this sort of thing is going to stop. I think that the honorable member for Franklin (Mr. McWilliams) has put forward a very just proposition. With the information that is available, I do not feel inclined to accept the responsibility of voting for the proposed agreement.

Mr. CORSER (Wide Bay) [12.58 a.m.].—I appeal to honorable members to ratify the agreement. Those who have the interests of our consumers or of our jam manufacturers at heart should not risk the rejection of the agreement, because in that event the Queensland sugar producer will get for his product as near the world's parity as he possibly can. That means that we shall be obliged to pay vastly more for our sugar than we shall be required to pay under this agreement.

Some honorable members are of opinion that there is nothing to justify the proposed increase to the sugar producers. Evidently they do not pause to consider that year after year wages have gone up, that the cost of machinery has increased, and that the price of the artificial fertilizers which are necessary to the maintenance of the productivity of the sugar lands of Australia has also increased enormously. Earlier in the evening I cited the case of seven mills with plantations attached to them, which have absolutely lost £107,000 within the brief period of six years. In the absence of this agreement, what encouragement can we offer the cane-growers to cultivate more land? Yet if they do not plant additional areas, the land which becomes exhausted every year will pass out of cultivation. The result will be a less yield of sugar, and consequently greater importation of that article. It necessarily follows, then, that we shall have to pay vastly more for our sugar than we shall do if we ratify the proposed agreement.

Question resolved in the affirmative.

House adjourned at 1 a.m. (Friday).

Senate.

Friday, 19 March, 1920.

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 11 a.m., and read prayers.

SUPPLY BILL (No. 4) 1919-20.

Assent reported.

GOVERNOR-GENERAL'S SPEECH: ADDRESS-IN-REPLY.

Debate resumed from 12th March (*vide* page 370), on motion by Senator LYNCH—

That the following Address-in-Reply be agreed to—

To His Excellency the Governor-General.

MAY IT PLEASE YOUR EXCELLENCY:

We, the Senate of the Commonwealth of Australia, in Parliament assembled, desire to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the Speech which you have been pleased to address to Parliament.

Senator FERRICKS (Queensland) [11.3].—The few remarks I propose to make will have reference to some matters which I conceive to be of Australian importance. I wish to be quite candid with the Senate, and therefore admit that I regret I was defeated at the last Senate election. While I have regret on that account, I have the consolation of knowing that I have had my say while I have been here. It is never pleasant to be defeated at an election, but the unpleasantness is increased when one does not know by how many votes he has been defeated.

Senator MILLEN.—It might be still less pleasant for the honorable senator if he did know.

Senator FERRICKS.—It is very unsatisfactory that I do not know. I was asked the question in Melbourne yesterday, and had to confess that I did not know. I said I had obtained 129,000 first preference votes; that when the second preference votes were counted my total rose to 143,000 odd, and that at the declaration of the poll my total was 130,000. I am not contending for a moment that if all the votes recorded at the election were counted to a conclusion the result in Queensland would have been different. We, who were defeated at the election in Queensland, may be said to be like those who die for want of breath, since our defeat was due to want of votes. It would have been much more satisfactory if all the votes recorded had been counted to a conclusion, so that we might have known what the position really was. I sincerely trust that if the electoral monstrosity upon which the last Senate election was conducted is to be allowed to continue in operation—and I suppose that the Government will see that it does, since it served them so well—at least an amendment providing for a full count of all votes recorded will be made, as well as some other obviously necessary alterations of the law.

A matter I wish to bring under notice is one which has an Australian application, and it is in regard to the future policy to be adopted in connexion with the Pacific Islands. Honorable senators will remember that during last session I raised the question a couple of times in this Chamber, and expressed a fear that a

policy might be adopted which would have the effect of putting plantations in what was lately German New Guinea under the control of monopolies instead of having them subdivided, as I suggested, into blocks of 250 acres for the settlement of returned soldiers desirous of going there, and who might be able to carry on the blocks successfully with assistance from the Repatriation Department. When the Prime Minister (Mr. Hughes) went to Brisbane, just before the elections, he was waited upon by a deputation of returned soldiers, and promised them that nothing would be done in this connexion until the new Parliament assembled. I was interviewed about a month ago in Brisbane by some returned soldiers, who wished to find out how the scheme was progressing. I wired to the honorable member for Grey (Mr. Poynton), who had just been appointed Minister for Home and Territories, and he replied to the effect that the scheme of development to be adopted under the mandatory powers had not been completed. I ask the representatives of the Government in the Senate to make some reference to this matter, because the two returned soldiers who interviewed me in Brisbane gave me to understand that quite a number of returned men have their eyes turned towards New Guinea. They have not definitely decided to go to New Guinea, but they would go if they received proper encouragement. I saw these men again on the day following my first interview with them, and asked them if they could give me some idea of the number of returned soldiers in Brisbane who were looking that way. They said that they were acting on their own initiative, and did not represent any body or league. They had not discussed the matter with others with the intention of finding out how many would be prepared to go to New Guinea, but they told me that in the twenty-four hours since they last saw me they had quite casually met about twenty returned soldiers whose aspirations were similar to their own. They assured me that there were scores of returned soldiers in Brisbane prepared to go to New Guinea to settle, if given reasonable encouragement. I have no doubt that what may be said of Queensland in this regard applies in a lesser degree to the other States. I re-

ceived the following letter from one of the men who interviewed me:—

With reference to my previous inquiries *re* German New Guinea, I shall be greatly obliged if you could enlighten me on the following:—If the Government has any scheme on hand to settle returned soldiers in German New Guinea, what assistance they propose to grant, the procedure required to get the land, if the policy the Government intend to adopt for the mandated territories has been decided on; if not, could you give me an idea of the approximate date when it will be settled? My reason for asking this is that I have been back from abroad some time now, and as I cannot afford to be idle much longer I would like to have an idea of how things stand.

My previous contention was that these plantation areas should be cut up and given to returned soldiers desiring to go to New Guinea. There is an unlimited area of virgin country in New Guinea which the big financial organizations and syndicates might well undertake to develop, but which it would be impossible for private individuals to take up. I understand that there are some plantations which had reverted to the German Government in New Guinea, and there is a suspicion in the minds of many people that big syndicates in the South have been organizing with the idea of acquiring those existing and fruitful plantations as they stand. I was made suspicious in this matter when I noted the constitution of the Royal Commission that was appointed to make inquiries in connexion with the Pacific Islands. It comprised Judge Murray—about whom I express no opinion, as I do not know the facts through being so far away from the centre of administration in New Guinea—Mr. Lucas, the Islands manager for Burns, Philp and Company, and a third member in the person of Mr. Atlee Hunt, Secretary to the Home and Territories Department. I immediately jumped to the conclusion that what must have been in the minds of those who appointed the Commission and the aim they were pursuing was that, recent developments having shown how successful Mr. Atlee Hunt as an administrative head proved himself to be in farming out the Northern Territory to Vestey Brothers, he might be able to farm out the plantations in the Pacific Islands to another monopoly in the shape of Burns, Philp and Company. I was suspicious of this Royal Commission as soon as I

learned who were appointed members of it.

It is somewhat remarkable that in the Melbourne *Argus* of 3rd March there is a paragraph to the effect that these Commissioners have completed their report, which was in the hands of the Government, and that it would be laid on the table in Parliament before long. To-day is March 19, and the report has not yet appeared on the table of the Senate. There is keen interest taken in this matter by many returned soldiers and other people, who desire to know the policy to be adopted by the Government in connexion with the Pacific Islands. The Treasurer (Mr. Watt) in another place said that one of the tasks which he would be called upon to perform when he arrives in England is to fashion the instrument for carrying out our mandatory powers in the Pacific. Perhaps the Leader of the Government in the Senate (Senator Millen) will be able to tell us whether the mandate has yet been issued in view of the fact that there is no League of Nations yet and no peace, as events transpiring in other parts of the world clearly show.

Senator MILLEN.—We have a League of Nations.

Senator FERRICKS.—Have we the mandatory powers?

Senator MILLEN.—The mandate has not been issued.

Senator FERRICKS.—I wanted a statement on that point from the Minister, not for any purpose of my own, but for the information of people who have been making inquiries of me.

Following on the remarkable operations in the Pacific after the outbreak of the war, it may be said that Burns, Philp and Company have had a monopoly of the Islands trade since the German line of steamers was withdrawn. The world's market price for copra is £70 per ton, but Burns, Philp and Company used to go to German New Guinea and take, if not demand, copra at from £24 to £26 per ton, since they were the only buyers. I am given to understand that the trader *Marcini*, owned by Burns, Philp and Company, which was sent in search of the *Matunga*, the vessel captured by the *Wolf*, has been often to New Guinea, and has called at all the ports of what

was lately German New Guinea with a super-cargo on board. It was by these people that the copra producers were told that they must sell to Burns, Philp and Company, or their products would be left on the wharfs. This was done notwithstanding the fact that Burns, Philp and Company had been granted a subsidy to maintain the trade with Papua. It was found by the firm that it was more profitable to carry on operations with German New Guinea, and therefore Papua was absolutely starved in the matter of shipping facilities. It is not my intention to go into the question outlined by Senator Foll regarding the administration of Papua, because I do not know the exact position, although I have heard many conflicting rumours.

Senator DE LARGIE.—Surely the honorable senator does not suggest that Burns, Philp and Company would pass Papua and go on to German New Guinea?

Senator FERRICKS.—Their ships were certainly giving preference to the copra trade in German New Guinea.

Senator DE LARGIE.—It is a long voyage if they left out Papua.

Senator FERRICKS.—The firm has shipped large quantities of copra from German New Guinea direct to America, and it is time that it realized that what it did in war-time will not be permitted in time of peace. By adopting this policy it is cutting off the Australian trade, and sending its boats from Rabaul and other Pacific islands direct to America. One of the arguments held out in favour of mandatory powers over the Pacific Possessions being granted to Australia was that the trade of the Pacific Islands would be held by Australia. If Burns, Philp and Company is allowed to continue its present policy, not only will the copra trade be diverted from Australia, but our own products will not be marketed in those Possessions. We are manufacturing tinned meats, condensed milk, biscuits, and other such commodities, which could be profitably marketed in the Pacific, but if we are not to have shipping connexion, and Burns, Philp and Company is allowed to continue to trade with America, the requirements of the islands must necessarily come from America, and not from the Commonwealth.

Senator SENIOR.—The Commonwealth fleet will come in then.

Senator FERRICKS.—I would like an expression of opinion from the Leader of the Government in the Senate (Senator Millen) as to whether it is possible for the Government, through the Shipping Controller, or any other authority, to divert a line of steamers to the Pacific Islands, as the Commonwealth is surely entitled to that trade. If facilities were thus provided our trade with the islands would not only be extended, but markets in the East would also be opened up. If Burns, Philp and Company is allowed to exclude Australia, it will be a standing disgrace and a shocking example of the inability of the Government to handle a most important problem.

Senator DE LARGIE.—If the honorable senator's suggestion were adopted the Commonwealth would have to become a trader as well as a shipper.

Senator FERRICKS.—I do not suggest the Commonwealth should become a trader in copra and other commodities, but the Government should provide facilities for the development of trade, concerning which we have heard so much during the last few years. If Australian commercial interests are to be dominated by one firm—and I understand that Burns, Philp and Company prefer to trade with America—a great injustice will be done to the Commonwealth.

Senator MILLEN.—Does the honorable senator suggest that Burns, Philp and Company should be compelled to trade with the Commonwealth?

Senator FERRICKS.—No, but that the Government should endeavour to establish a connexion between Australia and the Pacific Islands, particularly as we have a Shipping Controller under the jurisdiction of the Government.

There is another matter to which I desire to briefly refer, and it also has an Australian application. The saddest part of the elections—not of the result, but of the circumstances under which the campaign was conducted in Queensland—was the libels that were heaped upon that State. I am glad to be able to say that the three successful Senate candidates were not responsible for these libellous statements. There were men, however, occupying high and honorable positions

who absolutely went out of their way to grossly libel the State of Queensland. The Treasurer (Mr. Watt) publicly stated at St. Kilda that “the bailiff was waiting on the Treasury steps”; the Prime Minister (Mr. Hughes) said that “Queensland was on the verge of bankruptcy”; and the honorable member for Herbert (Mr. Bamford), who was assisted by some State members, declared that “the financial bottom was falling out of Queensland.” It is contrary to political ethics for elections to be conducted on such lines, and these gross libels were absolutely unwarranted and unfounded. Assuming, for the sake of argument, they were correct, which I deny—

Senator EARLE.—If they were correct they could not be libellous.

Senator FERRICKS.—It is astounding to realize that these so-called patriots went around damning one part of Australia, and gave it out broadcast to the world that what I conceive to be the pearl State of the Commonwealth was on the verge of bankruptcy.

Senator MILLEN.—Such statements were not made to injure Queensland, but were made with the idea of saving the rest of Australia from a similar fate.

Senator FERRICKS.—They were made with the object of winning the elections. Condemnatory statements were not only broadcast throughout Australia, but throughout the world, and in condemning one important State, a reflection was cast upon the whole of the Commonwealth.

Senator FOLL.—Were those charges made against the State or against the financial activities of the Government?

Senator FERRICKS.—They were all insuperably interwoven with the State of Queensland, and to give an idea of the tactics adopted I shall quote from a pamphlet supplied to me in Mackay, containing a number of verses with a political colouring—

Senator MILLEN.—Was it written by McDougall?

Senator FERRICKS.—The issue of the pamphlet was authorized by John H. C. Sleeman, publicity officer, Northern National Political Union, Sturt-street, Townsville. The lines, which are a travesty on verse, are headed “Damn Ryan,” and for the edification of honorable senators I shall quote a portion to show the

policy our opponents as a body adopted in Queensland in their endeavour to secure victory. They read—

If Ryan damned the State he ruled,
To pawn its credit for the gain
Of party—and the people fooled,
Then who shall say that all in vain
The woman's policy was framed,
Or that she should be now ashamed,
And not repeat the formula—

Damn Ryan!

If Ryan damned prosperity,
Of all but Ryan-named T. J.,
Should he from "damning," scathless, free,
Amidst the mouldering decay
Pass out uncensured, and not told
The woman's words were words of gold,
Although not *classic* formula—

Damn Ryan!

The poem continues—

If he has damned this Northern State,
Why should his damning be postponed,
For inefficiency, should Fate
Prevent T. J. from being stoned?
Has Ryan passed the stage when he,
From criticism should be free,
And scathless 'scape the formula—

Damn Ryan!

Senator MILLEN.—He does not say
"Damn the Northern State."

Senator FERRICKS.—Senator Millen has stated that there is no reflection on the State of Queensland, and I therefore ask the Minister's attention to the following lines:—

From North to South, from East to West
He has a land in travail sore,
The victim of fanatic zest
He leaves diseased, with rotting core,
A State that once from ill was free
Till damned by Ryan's *gaucherie*:
Wherefore the caustic formula—

Damn Ryan!

Senator NEWLAND.—The sentiment is good, but the poetry awful.

Senator FERRICKS.—For the information of Senator Newland and other honorable senators, I may say that Queensland is not "rotten to the core," and any one making such a statement is a very little Australian. As members of a National Parliament we should "side-step" these miserable little things, and avoid adopting such contemptible tactics.

Senator SENIOR.—Little things?

Sentaor FERRICKS.—Yes; they are paltry and puerile, and I denounced such tactics from every public platform. Since I have been a member of this Chamber I have never cast a reflection upon any other State. Had I been a senator when the East-West Railway Bill was submitted I would have supported it, and I would also

support the construction of a line from Pine Creek to Oodnadatta, because I realize that these are undertakings absolutely essential in the interests of the whole Commonwealth.

Sentaor DE LARGIE.—You would have done something that your colleagues would not do.

Sentaor FERRICKS.—I am not responsible for their actions. A number of people repudiate my sentiments on many subjects, and there may be room for disagreement with my colleagues on some points. It is unworthy of any man aspiring to a public position to broadcast such stuff throughout Australia. Senator Newland, by interjection, has stated that the sentiment was good—

Senator NEWLAND.—The whole thing is miserable drivel, and I am rather sorry the honorable senator is allowing it to be published in *Hansard*.

Senator FERRICKS.—The honorable senator is sorry because his party is associated with it. I am sorry for the honorable senator, because the issue of the pamphlet was authorized by John H. C. Sleeman, publicity officer of the Northern National Political Union. The honorable senator need not have any regrets about me reading this, because I quoted it on every public platform after it came into my hands.

Reference has been made to finances in Queensland, and I should like to take this opportunity of briefly commenting on that important question. The *Daily Telegraph* of 16th March contains a report of a statement made by the Premier of Queensland, Mr. Theodore, who admitted that during the five years of Labour rule in Queensland a total deficit of £830,000 had accumulated.

Senator CRAWFORD.—To what extent have the taxes accumulated?

Senator FERRICKS.—I shall endeavour to show, by quoting Mr. Theodore's figures, how that deficit arose. He has made a comparison with the figures of 1914, and that is a reasonable basis on which to work, and has shown that for the upkeep of hospitals £118,000 more had been voted than in 1914; for insane hospitals, £100,000 more; for the support of State children, £100,000 more; for State schools, £370,000; and for secondary and technical education, £30,000 and £20,000 respectively.

There is an important item that is not mentioned included in the list submitted by Mr. Theodore. When the Labour Government came into power in Queensland, the railway workers were denied the right of access to the Arbitration Court—a right which had been denied them for years by preceding anti-Labour Governments.

Sentaor O'LOUGHLIN.—The Queensland Government did more than the South Australian Government has done.

Senator FERRICKS.—Exactly!

Senator FOLL.—The right was not given of their own free will, because the railway employees forced the hands of the Government.

Senator FERRICKS.—When Labour members were in opposition they repeatedly moved for an amendment of the Act to enable public servants to approach the Arbitration Court. I speak with some knowledge of the subject, because I served for two years in the Queensland railways, and left the service in absolute disgust. I have no hesitation in saying that before the advent of Labour to power in that State, the Queensland railway workers, the school teachers, and the police were absolutely the most sweated individuals imaginable. When they were given access to the Arbitration Court their plaint was heard, and the all-round increases granted, not by the Caucus or the Trades Hall or the Government, but by a Judge in arbitration, amounted to £500,000. The increase was fully warranted, and it was quite time it was given. We advised the Queensland people that they should be prepared to take the responsibility for the increase in wages. Subsequent increases were given, amounting to, perhaps, another quarter of a million. Those sums were saved by the previous Government by sweating their employees, and naturally that Government was enabled to show better results from the railways. No reasonable person could cavil at the belated action of giving the railway workers of Queensland something like a fair deal.

Let me quote the records of some of the other States in the matter of accumulated deficits. I shall not do so in any disparaging spirit, because I recognise that during the last five years conditions have been quite abnormal in regard to the

cost of materials and the cost of living. Mr. Theodore says—

It is true that since we have been in office our deficit has grown to £830,000, but we should have had no deficit at all if we had had a sympathetic Legislative Council. We are not the only State with a deficit. Victoria during the past five years, under a National Government, has accumulated a deficit of £1,000,000.

Yet the fact that Queensland, under the Labour Government, has in five years accumulated a deficit of £830,000 has been broadcast, not only throughout Australia, but through the whole English-speaking world, to the detriment of Queensland and of Australia as a whole. Mr. Theodore goes on to point out that South Australia accumulated in five years, also under a National Government, a deficit of £1,800,000. Queensland, therefore, is not in it with nationally-governed States in the creation of deficits. We cannot hold a candle to them. Western Australia accumulated a deficit of £2,971,000 in five years, also not under a Labour Government, and the accumulated deficit of Tasmania in the same period was £177,000.

Senator MILLEN.—Does a Queenslander draw comfort by instituting a comparison between his State and Tasmania?

Senator FERRICKS.—I feel that, in justice to Queensland, I should endeavour to refute the slanders heaped upon that State during the election campaign, and ask honorable senators from other States to look a little nearer home before they race round the country condemning the management of the Queensland finances.

The public debt of Queensland is £91 per head, and Senator Crawford will assert that it has increased by leaps and bounds since Labour came into power. I know that has been stated all over the country. But the public debt of Western Australia is £116 per head. I do not say that that is anything against Western Australia, which has a relatively small population. The public debt in Queensland has been increased by £11,000,000; but bear in mind that we still boast the longest railway mileage of any State of the Commonwealth.

Senator CRAWFORD.—And the biggest railway deficit, too.

Senator FERRICKS.—No. I think Victoria beats us in that, even though our railway men are paid decent wages. The public debt of Western Australia has

increased by £9,000,000; of South Australia, by £9,000,000; of Victoria, by £16,000,000, and of New South Wales, where the cream of nationalism prevails, by £30,000,000. All this is in five years.

Senator MILLEN.—Will the honorable senator give the taxation per head?

Senator FERRICKS.—I intend to do so, and I think I can present a point of view which has not previously appealed to the honorable senator. On the question of the increase of the public debt during the last five years, it should be stated that Queensland came into the arrangement with the Federal Government for the curbing of State borrowing and expenditure, whereas New South Wales did not.

An interjection was made regarding the Queensland Legislative Council. Honorable senators will, doubtless, have read in the press that it is intended to send a delegation from Queensland to England for the sole purpose, I presume, of defaming Queensland, as was done during the elections. It is to consist of Sir Robert Philp, Sir Alfred Cowley, and Mr. J. A. Walsh. Sir Robert Philp is a very estimable gentleman in political life, so long as you do not bump up against vested interests—he is a very nice man personally; but if you do that, you tread on his corns. Nobody knows better than yourself, Mr. President, what Sir Alfred Cowley is—I suppose the blackest-hearted black labourite that Queensland ever produced, and the last man to give up the ghost in regard to the retention of the kanaka in the Queensland canefields, if, indeed, he has yet given it up, which I very much doubt. He was Speaker of the Queensland Parliament for several years, and I honestly believe he would still love to see his “brother,” as he used to call him, occupying North Queensland. Mr. J. A. Walsh is a six-and-eight-penny gentleman, who has to fawn on vested interests, whenever they throw him a brief, bony or otherwise. He does not come into the calculation much. I take it that he is going as legal adviser to the delegation.

Senator SENIOR.—Do not speak so disparagingly of lawyers. Is not Mr. Ryan one? And did he not receive a fee from the Queensland Government?

Senator FERRICKS.—Quite a number of people have realized lately, to their cost, that Mr. Ryan is a legal gentleman.

Sir Robert Philp, who, we presume, will lead the deputation, was for three years Premier and Treasurer of Queensland, during which period the accumulated deficit totalled £1,100,000. A great song is being made about the accumulated deficit under the Labour Government reaching what is called a colossal height of £830,000 in five years of war time.

Senator MILLEN.—There is a big difference between a deficit with low taxation and a deficit with high taxation.

Senator FERRICKS.—I do not desire to burke the taxation question. The percentage of deficit to revenue in Sir Robert Philp's time was 10 per cent.; under the Labour Government during the past five years it was 2 per cent.

Senator CRAWFORD.—I do not think there was any direct taxation when Sir Robert Philp was Premier.

Senator FERRICKS.—That is the point. Sir Robert Philp is heading the delegation to London to complain about the financial position of Queensland, and what is termed the recklessness of the Labour Government. Senator Crawford and yourself, sir, will remember that Sir Robert Philp made an effort to impose direct taxation, with the idea of wiping out his accumulated deficit of £1,100,000. His idea was a poll tax of 10s. per head on every adult wage earner in Queensland, irrespective of his earnings. If the citizen earned nothing, he had to find the 10s. poll tax all the same.

Senator CRAWFORD.—And other taxes were imposed, such as the income tax. Everyone had to pay a minimum of 10s.

Senator FERRICKS.—I believe the income tax was introduced about that time. I was mining then, and I remember that I had to pay the 10s.; with 1s. penalty.

The Queensland Labour Government, on the other hand, resolved that people who had done so well during the five years of the war should be asked to bear a fair proportion of the expense of carrying on the government of the State and developing its resources, and sought to remove a restriction which has been operating very harshly against the welfare of Queensland for many years. That is the restriction which prevents the Land Court—not the Government nor the Caucus, nor the Trades Hall—from raising pastoral rents in reappraisalment by more than 50 per cent.

That restriction was imposed when things were very bad in Queensland after the drought, to give the pastoral industry a chance of reviving, and in what was conceived to be the best interests of the State.

Senator CRAWFORD.—That was a condition under which the land was leased.

Senator FERRICKS.—In 1910, when the Land Bill was going through the State Parliament, of which I was a member, Mr. Denham, the Liberal Premier or Minister for Lands, who was piloting the Bill, said that if he had his way, and if the Government had its way, that restriction would be removed and the Land Court would be given the right to fix the rent at what it thought fair.

Senator MILLEN.—That was when the Bill was before Parliament originally.

Senator FERRICKS.—It was not the original Act, but an amending Land Bill. The reason the Government could not make that alteration if it wanted to, was that the pastoral and other vested interests of the Legislative Council would not have allowed it, as the Government knew. The Labour Government has two or three times sent up a Bill to remove the restriction. Does anyone here say that it is unfair to give the Land Court the right to assess the rental of State properties? The idea is preposterous.

Senator MILLEN.—If you leased a house from me at a fixed rental, you would consider it arbitrary and unfair if I increased the rental during the currency of your lease.

Senator FERRICKS.—If I came crying to the honorable senator for a low rental for the place I lived in, because I could not afford to pay more, having had bad luck, and the honorable senator gave me easy conditions for about ten years, and if all at once I prospered, would the honorable senator say "You can have the house indefinitely on the same terms"?

Senator MILLEN.—But this is not indefinitely.

Senator FERRICKS.—Well, it is for thirty years. Would Senator Millen say that?

Senator MILLEN.—Yes, because the lease had been granted prior to that.

Senator FERRICKS.—Senator Millen has a right to say that in regard to his own house, but he has no right to say it in regard to the property of a State.

Senator CRAWFORD.—A State has no more right to break a contract than have private parties.

Senator FERRICKS. — Everybody knows that the pastoralists of Australia have done exceedingly well during the past five years. Where is the patriotism of these gentlemen? At their head stands Sir Robert Philp—whose public career is inseparately interwoven with deficits—leading a delegation from Queensland for the purpose of defaming that State.

Senator LYNCH.—If he defames it, will not he himself be among the first to suffer?

Senator FERRICKS.—Oh, no. Because the Government of Queensland took certain action to get their legislative proposals through the Legislative Council of that State, these gentlemen are going to England to urge certain objections. I venture to say that if, during the war, I had stated that Australia was rotten to the core, that it was on the verge of insolvency, and that the bailiff was waiting on the Treasury steps, I would not have escaped with less than three years' imprisonment. Yet these men are being allowed to go forth on a mission to defame a part of Australia. To my mind their action constitutes a very near approach to treason. Rather than allow them to go abroad on this mission the Government should intern them as enemies of the Commonwealth.

Senator EARLE.—Did I understand the honorable senator to say that the accumulated deficit of Queensland in five years represents a sum of £830,000?

Senator FERRICKS.—Yes.

Senator EARLE. — Why, the Auditor-General says the amount is £3,600,000.

Senator FERRICKS.—That is in regard to the railways. The delegation to which I have referred should not be permitted to leave Australia. Of course, I do not imagine for a moment that the Imperial Government will take any notice of their representations. The members of the delegation have been absolutely snubbed every time they have approached Downing-street. But in spite of that, they are going abroad to interview the financial magnates of Great Britain. Now, the Treasurer of the Commonwealth (Mr. Watt) has already left Australia for England on

what, I understand, is to be chiefly a financial mission. Will the presence of a delegation of responsible men from Queensland in Great Britain for the purpose of defaming one of the six States of the Union, be likely to assist Mr. Watt? I cannot understand why the Government do not attempt to dissuade these gentlemen from the action they propose to take. I, for one, will never defame any portion of Australia. When political contests are fought on such grounds there is not a very great elevation of our national ideals.

I come now to a paragraph in the Governor-General's Speech which makes reference to the Arbitration Act. I had hoped to deal with a couple of phases of this question before the recent elections were held, but, unfortunately, I was prevented from doing so. I now wish to outline the procedure which is ordinarily followed in our Arbitration Courts. It is usual for the employers and employees to go into the Court and state their respective cases. Then, the first factor which the Judge takes into consideration is the capital that is invested in the industry which is under review. Suppose, for example, that Senator Lynch invested £60,000 in an industry and employed a number of men in it. If a dispute arose between him and his employees the Judge would first take into consideration the amount of capital embarked in the industry, and would insure to Senator Lynch what he conceived to be a fair return upon it. Now, the machinery of an employer, for commercial purposes, may possibly be worth £60,000, but of what utility is it until the workers' capital—the labour—is applied to it? But whilst consideration is given by the Court to the value of the machinery that is operative in the industry, no consideration whatever is given to the capital of the worker. Until our system of arbitration recognises that the workers' capital is not only of equal, but of more, importance in commerce than is the capitalist's machinery, it will not work equitably. Yet the Judges in our Arbitration Courts do not take any cognisance of it. They merely endeavour to ascertain the least amount upon which the worker can live to operate the capitalist's machinery. A scientific system of arbitration would recognise the combined capital of all the workers who operate the machinery.

Senator Ferricks.

Senator LYNCH.—Is not machinery only another form of labour?

Senator FERRICKS.—Yes, but the Court allows for a fair return upon the capital represented by the machinery, whilst ignoring the capital which is represented by labour. Such a system is neither just nor scientific. There is another aspect of the matter to which I desire briefly to refer. The biggest objection to our arbitration system is the delay which occurs in the granting of awards, owing to the congestion which takes place in our Arbitration Courts. Let us suppose that Senator de Largie is an employer, and that a dispute arises between him and his employees. Before he will confer with those employees, he says to them, "You must first go back to your work." Do employers exercise such authority by divine right? If a body of men leave their work because they are dissatisfied with the conditions of employment, what right has the employer to say "Before I will confer with you, you must go back to work"?

Senator DE LARGIE.—He has every right to do that when there is an Arbitration Court in existence. It is a great pity that we have not an Act under which those who break the law can be punished.

Senator FERRICKS.—The first people to break our arbitration laws were the Broken Hill Proprietary Company.

Senator DE LARGIE.—That is no reason why other persons should do likewise. Two wrongs do not make a right.

Senator FERRICKS.—I wish now to put before the Senate some aspects of this matter which I regard as of very great importance.

Senator LYNCH.—I believe that the Labour Government in Queensland asked men to go back to their work.

Senator FERRICKS.—If I left my employment I would refuse to do that, until the dispute in which I was concerned had been settled.

Senator DE LARGIE.—And yet the honorable senator pretends to extol arbitration?

Senator FERRICKS.—Arbitration has accomplished a lot of good, but the system must be altered if it is to live, and I am anxious that it should live. These disabilities, however, must be removed, and the workers' capital must be regarded as of equal value with the capital that is represented by the employers' machinery.

Employers have no right to order men to resume work. Do they own me, body and soul?

Senator DE LARGIE.—The honorable senator believes in the divine right to strike?

Senator FERRICKS.—Yes.

Senator DE LARGIE.—And he also believes in arbitration?

Senator FERRICKS.—I do, and I hope that the workers will never give up the right to strike.

Senator SENIOR.—The two things are diametrically opposed to each other.

Senator FERRICKS.—Another phase of this question which is deserving of notice has reference to the hearing of complaints before the Court, especially in cases in which female workers are concerned. I remember reading a series of cases which were heard some time ago by Mr. Justice Edmunds in Sydney. In those cases quite a number of girls employed in the white work industry, and who appeared as witnesses, were asked by counsel, and by the Judge himself, most delicate questions in regard to the number of undergarments, &c., that they required during the course of the year. One question went so far as to seek information about a laundry bill. I do not think that female workers should be subjected to an examination of that kind either by the Arbitration Court or any other Court. If the Judge has no other means of getting the information that he requires, let him make inquiries in his own home regarding the laundry bill and the number of undergarments which are required in a year by a female. Again, an almost unlimited time was expended by one of the Judges in our Arbitration Courts in taking evidence upon the question of whether bacon is a necessary commodity for the worker. Does he have to consider whether it is a necessary commodity in his own larder? Surely evidence on such matters is not necessary! These are the causes of the delays which occur in the granting of awards by the Arbitration Court. When a Judge who is in receipt of £3,000 a year spends half-a-day in conducting such inquiries, and when he presumes to ask female witnesses such delicate, and almost immoral, questions as I have indicated, the Court ceases to be one of arbitration, and becomes a court of degradation. This is one of the

factors which is causing our system of arbitration in Australia to become unpopular.

In conclusion, it is just within the bounds of possibility that I may again appear in this Senate. In addressing the electors at the declaration of the poll, and particularly those who were gibing at me, I said, "You are so pleased at my defeat that I propose to give you a little more pleasure. I promise you that, if the opportunity offers on some future occasion, you will be afforded another chance of voting against me. What more do you want?" To those who are delighted with my disappearance from this Chamber, I say the same thing now. Should the occasion arise I shall take another opportunity of appearing before the electors of Queensland or a part of Queensland and endeavouring to become again one of its representatives here.

Senator BARNES (Victoria) [12.0].—I desire to make a few remarks on the Address-in-Reply, and, at the outset, I would like to say that the election having been fought and won, I would like to be able to congratulate the Government and their supporters on their victory, because, having in me a little of the sporting instinct of our race, I enjoy a "scrap" like most men, and feel satisfied when the best man wins. But on this occasion I have reservations, for the reason that I do not think the fight was a fair one; it was won on what, in sporting parlance, is called a foul. Because of that, I reserve my congratulations to the Government. No doubt, this will not worry them very much, because they are in power, but I wanted to say it. Of course, the Government have no need to worry, because in the Senate they have a great majority, and after June next there will be only one honorable senator left on this side to represent the views of the Labour party in Australia.

Senator FOLL.—But the honorable senators on this side represent the whole of their respective States.

Senator BARNES.—I know they profess to; but if that were so, things would be different in the country. In another place, the Government are in rather a precarious position, and anything may happen; but, personally, I do not think there will be any disturbance until the next election, as the new party is really

only a second edition of the old Nationalist party; consequently, there need be no fear of any political turmoil, for the present, at all events.

Had the recent election been fought on its merits, and won on the performances of the Government, I would have been one of the first to congratulate honorable members opposite upon their victory.

Senator PEARCE.—Your people were more to blame than anybody else if the election was not fought on its merits.

Senator BARNES.—I do not believe that; and I intend to prove, as clearly as possible, that the Government were afraid to place the real issues before the electors, because they knew that if the people were properly informed they would not have had a chance in the country.

Senator PEARCE.—Why did your campaign director bring in the woes of Ireland as one of the election issues?

Senator BARNES.—So far as I am aware, he did not do that; but I know that a good number of people who support honorable senators opposite bring the woes of Ireland and other countries into the politics of Australia.

Senator PEARCE.—Your campaign director did this at the outset of the campaign.

Senator BARNES.—So far as I know, he did not do that. The campaign was not fought on the merits of the case at all. Every day the daily press printed columns of reports as to what the Prime Minister (Mr. Hughes) was saying and doing, but nothing was said regarding the Government policy or the Government's performances. The statements were mostly diatribes about "Ryan and ruin" and allegations of that character, that ought not to have been brought before the people at all. The Prime Minister, in his own way, so distorted the position in Queensland as to absolutely mislead the people, and the daily press, which could have controverted him, assisted in every possible way. They could have torn the entrails out of the Prime Minister, metaphorically speaking, with regard to his statements about Queensland affairs, but they had no mind to do so, and no desire to inform the people as to the real facts. We were told that Queensland, under a Labour Government, was the dearest State in Australia to live

in, and that its finances were bordering on insolvency. These allegations are not borne out by the facts. I do not turn to any Queensland Minister for authority to refute them. I turn to the man who is supposed to occupy a judicial position, who is not swayed hither and thither by party politics, but takes the cold figures as they are, and presents the actual facts to the people. Concerning the high cost of living, *Knibbs* shows that in Queensland it is less than in any other State except Western Australia. In the last quarter of 1919, when the election campaign was in progress, the cost of living in Sydney was 33s. 1d., in Melbourne 31s. 4d., in Brisbane 30s. 10d., in Adelaide 30s. 8d., in Perth 28s. 9d., and in Hobart 32s. 2d.

Senator DE LARGIE.—The contention is that there has been a greater increase in the cost of living in Queensland since the Labour Government came into power, than in any other State of the Commonwealth.

Senator BARNES.—I think that allegation has been refuted in another place by the honorable member who was Premier of Queensland. He has pointed out that the Labour Government came into power in 1915, and that during the first year, they reduced the cost of living by 12 per cent., but the Commonwealth Government then took control of price fixing, under the provisions of the War Precautions Act, and immediately the cost of living in Queensland began to rise. It has been rising ever since at the same ratio in every State. Anyhow, *Knibbs* shows that in the last quarter of 1919 the average in Queensland was 11d. lower than the average for the rest of Australia, and to me that statement appears to be unanswerable. *Knibbs'* figures also disclose the same position for the other three quarters of 1919. Had the Prime Minister and the daily press been desirous of informing the people of the real facts of the case, they could have quoted *Knibbs'* figures. What does it matter whether Mr. Hughes, Mr. Ryan, or Mr. Tudor is leading the Government of this country? Our real concern should be that the people get the facts, so that they may judge for themselves.

Senator DE LARGIE.—You should apply those principles to your Labour friends and the Labour press. They told the

most scandalous lies about me in Western Australia.

Senator BARNES.—I am interested in the conduct of more than one Labour paper, and, so far as I am aware, they lay themselves out to inform the people of the country of the truth.

Senator O'KEEFE.—The Labour paper in Tasmania gives the other side a fair deal in all respects.

Senator DE LARGIE.—I was interested in founding the *Australian Worker*, and yet no other paper told more lies about me at the last election. It repeatedly stated that I advocated Asiatic labour in Australia.

Senator BARNES.—I repeat that, so far as I am aware, the Labour newspapers of Australia lay themselves out to inform their readers of the truth in politics, and other matters of interest to the people. Our opponents knew that they had not a million to one chance of winning the recent election on a straight-out issue, and so they also brought in the question of every man's religion.

Senator SENIOR.—We did not start that campaign.

Senator BARNES.—You did. I propose to quote some of the literature that helped to put honorable senators opposite into this Parliament again.

Senator SENIOR.—Personally, I never refer to any man's religion.

Senator BARNES.—I am glad to know the honorable senator did not, and I believe also that many honorable senators opposite would scorn to win an election on the religious issue, but they must accept the responsibility for the actions of their party.

Senator DE LARGIE.—Do you accept responsibility for the actions of the Labour press?

Senator BARNES.—I have to, and I make no apology when I say that I am prepared to take my party with all its sins, its faults and shortcomings, though they be many. I take my full share of any responsibility attaching to me as an adherent of the Labour party.

But I want to inform honorable senators of what occurred during the recent election, and to quote, for their information, extracts from some of the literature that was distributed to every household in Victoria, stirring up ill-feeling between Roman Catholics and Protestants. They knew that unless this issue could be raised, the

chances of success were five to one against them, so they departed from clean politics, and endeavoured to show that the Labour party were under the heel of Romanism. It may be news to some honorable senators, but I can assure them that this literature went a long way towards helping them to get back to Parliament. I am not a Roman Catholic. There are many amongst Government supporters, and many on my own side; but I never inquire what a man's religion is. Nor does the Labour movement. We stand for giving the people the utmost freedom to worship where they like, when they like, and how they like.

Senator O'KEEFE.—Anyhow, a man's religion is settled for him before he is born.

Senator BARNES.—The honorable senator is quite right. A man's religion is an accident of his birth. As a rule, a child follows the religion of its parents. This is an extract, referring to Roman Catholics, contained in one of the leaflets distributed throughout Victoria during the recent election campaign:—

The Public Services are full of these individuals, some of them good servants, some grossly incompetent, but all in the Roman organization for mutual protection against the fresh air of efficiency and competition, and against any inquiry into these departmental shortcomings of which so many of them are guilty. It is as difficult to bring one of them to justice in a Public Department as to secure a conviction from an Irish Roman Catholic jury in Ireland.

Each of them carries tales to the priest, sets traps for Protestants, watches and notes events that may develop, and warns the priest. They are the snarling and whining malcontents and discontents in all the associations, and in this they are supported by the priests, who naturally encourage them, under pretence of wanting "better conditions." The priests also assist to "rope in" or silence the more moderate ones by persuasion or threats.

Each adherent is a spy for the anti-State organization of the Romans.

That is the kind of stuff that the party opposite won the election on. I intend to give them a dose of it that it may go on the public records that there is a political party in this country prepared to descend to any depths to win an election. With regard to the Post and Telegraph Department, the writer of the pamphlet goes on to say—

In the post-offices, the telegraph, and the railways Romans act as spies, and are guilty of treachery and mean conduct in all branches. They open letters, neglect to deliver letters or

parcels known to be Protestant. They inform priests of the contents; they copy telegrams, note down telephone messages, and carry them to the priests; they neglect duties in the railways, hoping that Protestants will suffer; they purposely mislay parcels sent by or intended for Protestant organizations. All as part of a system to help the Church. Being all bigoted sectarians, they resist all freedom of speech.

This pamphlet was distributed by the Nationalist party. The only imprint upon it is "Varley's, Melbourne," but the party opposite are responsible for its distribution.

Senator SENIOR.—I did not know of it.

Senator BARNES.—Then if the honorable senator did not know of it, it is time that he did. It is time that he learned that this kind of thing was behind him. It is to make the honorable senator and others acquainted with these facts that I refer to the matter here. I believe that there is a vast number of people in this country who are clean and honest, and believe in a fair fight, and would put their foot down on this kind of thing if they could. My purpose is to show that it can be of no advantage to any party that Australian public life should be contaminated by the distribution of matter of this character.

Senator DE LARGIE.—That is quite true, but the honorable senator should sweep before his own door.

Senator BARNES.—I have been connected with the movement on whose behalf I am speaking here to-day for a very long time, but I do not remember a single occasion when anything of this character was ever brought into any contest or any of our battles, political or industrial, by the party to which I belong. I quote further—

In the Customs Houses they endeavour to stop importations of any books dealing adversely with the Roman Church. In the revenue offices they pry into information, and communicate to priests the position and operations of all citizens.

It is as before stated, a development of the Roman Irish character and practice to avoid the work of production—the self-reliance and the competition of life—and get into a snug billet, from which to exercise pressure as a body, and endeavour to capture the Public Service, and make it an adjunct to the Roman power in the State. It is a doubtful policy, indeed, whether any of the Roman sect should even as citizens have a proportion of these billets, but certainly it should be a very limited proportion.

In the opinion of these people it is a doubtful policy whether Roman Catholics

should be given even a proportion of the public positions which have to be filled in this country.

No Roman Catholic should be in a position of trust in them.

What a sweeping condemnation that is of an important section of the people of this country. We have learned from the press in the last two or three days that the people so defamed here are to be led in a procession to-morrow by fifteen V.C.'s of the late war. These are the people who, we are told, should not be permitted to occupy any position in the public life of the country. The pamphlet continues—

No Roman Catholic should be in a position of trust in them, because he is trained and bound by allegiance to the priest and the church first, last, and all the time.

Then the writer deals with the unions, and he says this—

In the unions of modern growth the priest sees an organ that may be of use to the Roman Church. Most unionists have a strong desire to better their conditions, but are not trained to study whether the views adopted will in the end effect this object. The priest is better advised and more far-seeing, he instigates Roman workmen or agitators to secure positions in these unions, and through them as presidents, secretaries, office-bearers he becomes the wire-puller behind the scene.

I have been active in the industrial life of this country for thirty-three years, but that statement is news to me. The writer continues—

Everything done or proposed is carried to him by his tools in the union. It is considered by the bishop, and if it suits the Roman Church it is supported. The disguise here is "humanity," the love of the priest for the poor—which is as genuine as that of the wolf for the lamb.

All our business, and, I suppose, even that of the Australian Workers Union, as well as that of other labour organizations, is taken to the bishop to be considered by him. I suppose that the writer will tell us later on that the bishop pronounces the decisions of the Australian Workers Union. This is the kind of thing that the party opposite filled the people of the country with, and won the election with, because they had no case of their own to submit to the electors.

Senator DE LARGIE.—Why pollute *Hansard* with rubbish of that sort?

Senator BARNES.—I am giving it to the honorable senator because his party is responsible for it. I want to shame him

and his party, so that nothing of this kind shall happen again.

Senator DE LARGIE.—I deny the honorable senator's soft impeachment.

Senator BARNES.—The pamphlet continues—

In how many union officials are there now seen a predominance of Roman Catholic names, and in how many do groundless agitations occur? It is extraordinary that the unions are blind to, or do not suspect, the real position.

The Irish Roman Catholic is by nature glib and shallow in speech, and for a time succeeds in impressing his co-unionists with his sincerity for their cause. His real and only object is himself, and his priest, and it will be always seen that on the analysis of the position that these two stand to gain a little, whoever else may lose. He either gets publicity, or a well-paid billet, and it is the fixed Jesuit principle never to have peace if possible, but always to keep things in a state of flux, so that they make continuous demands for advantages and privileges.

That is more news to me—

The One Big Union is confessedly aimed at upsetting the Government, and we may therefore be sure that the Roman priests are striving craftily to get positions of prominence for their tools in the One Big Union.

I was under the impression, from all I had read on the subject in the press of this country, that agitators brought from America, or some other part of the world, were responsible for all the talk about the One Big Union, and that their objective was not only to upset the present Government, but every other Government, and to have a kind of anarchical method of running this country that no one has very much time for. I find from this pamphlet, issued by the National party, who have the assistance of all the secret service, the Federal police, and every other agency possible to gather information, that it is not importations from other countries that run the One Big Union, but that the Roman Catholic clergy of the country are running the whole business.

Senator LYNCH.—That is a remarkable production.

Senator BARNES.—It is like a good many more productions issued in support of the National party. The imprint upon it leads to no one. Those responsible for it are not game to put their names to it. Let me tell honorable senators now what, it is said, the Roman Catholics do in connexion with elections in this country. According to this pamphlet—

In our electoral system, the Romanist priest busies himself both before and at the election.

Before, he organizes and instructs his tools in the police force—the force that carries out the detail of putting names on or off the electoral roll. The Romanist in the police are instructed to omit leaving notices at Protestant houses, but to include all Romanists, to remove names if inquiry is unlikely, to put on fictitious names that can be recorded and used by Romanists. These police are trained to be treacherous. At elections, the priests send round, by the police and others, secret voting instructions—they provide voters for names known to be absent or fictitious—and they scheme to prevent Protestants from voting.

I could produce in this chamber something even more vile than that which was issued by the same organization, and distributed over every garden gate in and around the suburbs of Melbourne and in every big town in Victoria. These things influenced the electors to a certain extent. People who were desirous of doing the right thing were frightened by these statements, supported, as they were, by the utterances of the Prime Minister and by the daily press. People were afraid of what was going to happen in Australia if the Labour party, supported, as they were led to believe, by the Roman Catholic Church, was again returned to power. Honorable senators have listened to the vile things which it is suggested that Roman Catholics in this country can be guilty of. No one believes them, but they served the purpose of the party opposite, and won the election for them. I am hoping that the history of this country will not be written on a foundation of that kind, but by the clean and honest people of Australia, who, I believe, will absolutely repudiate any party responsible for sending out stuff of this character. As a man who does not claim to be a saint, I say that the party that would be responsible for sending out that kind of literature to influence honest electors is not worth an honest man's while stopping to spit on them.

Senator O'KEEFE.—The Prime Minister talked of the "unseen hand."

Senator BARNES.—He was the instigator of the whole thing.

In addition to this, we had reams of matter published in the press of this country about Bolshevism and what was happening in Russia. In this connexion my own name was mentioned two or three times. A year or two ago I spoke in Ballarat on the subject of the League of Nations, and incidentally referred to some of the things that were happening in Russia. I said that in their

fight for liberty the Russian people had my full sympathy, as every people fighting for liberty have always had. That was construed into a statement that I was standing behind the nationalization of women, and wanted the women of Australia to be nationalized. I have a wife and five daughters of my own, and I am hoping that this country is going to be a place fit for them to live in. I desire that they should be able to live their lives in this country as happily as I have lived my own, and may perpetuate the name properly and honorably. The people who circulated that statement about me knew well that it was not true. The press knew that I did not stand for the nationalization of women, and that the working class of Russia did not stand for it. The press knew that the journal that first published that statement about the Russian people was at least clean and decent enough, when the truth was discovered as to the state of affairs in Russia, to publicly apologize to the Russian people for the foul aspersion cast upon them in saying that they stood for the nationalization of women. The daily press of this country knew that well, and knew that the Russian people did not stand for it any more than Barnes did. But they used that against Barnes in the election, and said that he stood for the nationalization of women. I say on the floor of this chamber that I wish them no more harm than this, that I hope to God that they will stand as strongly for the clean life of the women in this country as Barnes does, and, if they do, not much harm will be done.

Senator O'KEEFE.—The daily press never repudiated the statement when they knew it was withdrawn.

Senator BARNES.—They have never repudiated it yet. The daily press of this country, which is supposed to influence the morals and political opinions of the people, has not yet seen fit to apologize to the people of Russia for the statements to which it gave such publicity, and in which there was not a word of truth.

Let us now consider the promises made in the programme of the Government. Although they are somewhat numerous I shall deal with three in particular. One was submitted in July, 1917, the other on 25th June, 1919, and the last on 25th February, 1920. The first and second

have been broken, and it is to be hoped in the interests of Australia that a similar fate does not await the third. In 1917 the Government promised to amend the Tariff, but nothing was done. Another promise was made in June, 1919, but again inactivity prevailed, although the Government had nearly a year between the date on which the promise was made and that on which Parliament was to be dissolved by effluxion of time. Honorable senators were sent to the country six months before there was any occasion, and during the interregnum the Prime Minister and the Government could have submitted and passed the necessary legislation to amend the Tariff.

Senator DE LARGIE.—What about the promises of the honorable senator's party from 1914 to 1917?

Senator BARNES.—They have all been kept so far as I know, and if they have not, perhaps it is because Senator de Largie and others who left us prevented us from carrying out our programme. In common with all other parts of the world, we are experiencing the aftermath of war, and peoples the world over, whether they were directly engaged in connexion with the great conflict or not, cannot escape its consequences. Australia was in it right up to her neck, and in my personal opinion much more so than was warranted. At the outbreak of hostilities some adverse comments were made as to what the men of Australia were doing, and to some extent these may have been justified. I believe that Australians were prepared to do all that was humanly possible, and subsequent events have shown that they did. What was the result? People, including honorable senators on both sides, were going all over Australia asking the men of Australia to enlist, and I believe many of them honestly thought that they were doing the right thing. The Australian people were led to believe that Belgium was on the verge of being wiped off the face of the earth, and our men went in thousands to assist in suppressing the outrageous atrocities that were being committed in that country. I do not think there was a single man in Australia who was not prepared to endeavour to right those wrongs. Now that the war is over let us consider what Australia has done. We have lost for ever 60,000 of our best

and bravest men, and Belgium, the country we were asked to save, which has a population of 8,000,000—3,000,000 more than that of the Commonwealth—has lost only 20,000.

Senator O'LOUGHLIN. — Many were under German control, and could not join their armies.

Senator BARNES.—The Australian people were gravely misled, but I am not accusing any one of doing it wilfully, because I honestly believe that they thought they were right. In this, as in connexion with all wars, we have been seriously misguided. There is always some one behind the scene engineering such conflicts, and who do not care how many sons of ours are slaughtered or maimed. I was hoping, as I am sure all other honorable senators were, that the last conflict would end all wars, but I am somewhat doubtful if that happy result will be achieved. Since the armistice was signed, fighting has been going on in different countries, people are still being slaughtered, and there appears to be no power to stop it.

Senator LYNCH.—The slaughter would have been greater had the Allies been defeated.

Senator BARNES.—Very likely. On a recent occasion, when speaking of the League of Nations Treaty, and when contradicting the accusation that I was in favour of the nationalization of women, I stated that if that treaty was likely to be successful two things were essential, and they were that full franchise should be given to all adults, and that the people should be properly educated.

Senator LYNCH.—Why did not the Labour party stand up to their work?

Senator BARNES.—We are standing up to it now.

Senator LYNCH.—Why did you not send a Labour representative to the Washington Conference?

Senator BARNES.—That was merely another fake. We do not walk into all the traps you set for us, and although you may "get" us on some occasions you cannot do so always.

Senator DE LARGIE.—What about the resolution that was carried at the Trades Hall last night?

Senator BARNES.—I know that a resolution was passed, but I am not worry-

ing about that. I do not think it is worth while. It will take all the resources of this country and the tolerance of our people to enable us to carry the burden we have to bear.

It is no use whining about our responsibilities, because we have to meet the bill, and to do this we must foster our industries and encourage production. We cannot, however, hope to do that unless we are prepared to tax the wealth of the community, and make the country produce more. We do not desire men to work long hours or to reduce their remuneration. We have produced, and are still producing millions of pounds worth of wool, wheat, and meat—three very essential commodities. At the present time we are sending wool to Great Britain or elsewhere for treatment. There was a time in the history of England when all the wool produced in that country was sent to Flanders to be woven into cloth. The statesmen of that time realized that it was a foolish policy, and said that as they were growing the wool they should manufacture it into cloth. They did so, and instead of sending their product and their money out of the country they brought money in. Experts were sent to Flanders, with the result that manufactories were established in Great Britain, and since that time all the wool has been treated at Home. Why cannot Australia do the same? An honorable senator says that they have the population. We would have the population if sufficient inducements were offered. It is not necessary to advertise Australia in the papers of Ireland, Scotland, or Wales, because the people there have friends in Australia who advise them of the conditions prevailing here. They also see Labour papers, that give them information that is nearer the truth than that contained in some other newspapers. It is unnecessary for them to depend on leading articles in such journals as the *Argus* to learn of the opportunities there are in Australia. Those intending to emigrate to this country desire to know if they can get remunerative employment; and if that were available, we could get suitable settlers from almost any part of the world. It is merely a question of offering a sufficient inducement.

Senator PLAIN.—What does the honorable senator suggest?

Senator BARNES.—Opening up all the avenues of employment. In the first place, I would suggest following the steps of Great Britain when she sent woollen experts to Flanders to make inquiries into the woollen industry. England is manufacturing cloth, and disposing of it in the markets of the world, and surely we can do the same.

Senator DE LARGIE.—It would be difficult to get weavers in Australia to agree to the hours worked in England.

Senator BARNES. — I would be in favour of weavers in this country working as little as possible, because I think history has demonstrated that a tremendous mistake has been made by asking men to work long hours. This is very clearly illustrated by the fact that when Kitchener's first army was mobilized, quite 50 per cent. had to be discharged—not because they were not courageous, but because they were unfit to do a man's work. We do not want low wages, long hours, and a condition of slumdom in this country. Great Britain has realized her mistakes, and is now making an effort to improve the conditions of her working people.

Senator LYNCH.—There is a vast difference between that and the modern effort to abolish work altogether.

Senator BARNES.—If we could do without work it would be better still; but that is not practicable. I do not find fault with work, because I think that most people are better if they engage in some active and useful occupation; but no one is better when driven to the limit of his capacity.

Coming back to the promises which I hope the Government will keep. Irrespective of the opinions that will be expressed by the financial interests of Great Britain, it is our bounden duty to see that woollen industries are established in this country, and that our raw materials are locally treated before being exported.

Senator LYNCH.—American investors would bring millions of pounds into this country if they were not afraid of the labour conditions.

Senator BARNES.—They would not be afraid of the Australian labour conditions if they knew the capacity of the Australian workmen.

Senator LYNCH.—They are not afraid of the high wages.

Senator BARNES.—They know that the Australian workmen are capable of producing more than those of other countries, and are prepared to come to Australia and invest their capital.

I am asked why do not they make a start. There are many reasons. The manufacturers of this country are seeking protection under a new Tariff, and the workmen also need protection. I trust the Government will be successful in their endeavour to establish new industries as there are tremendous possibilities, particularly in the woollen industry. Why should we export our raw material when we should be exporting the finished article ready for placing in the tailors' shops? There are hundreds of thousands of useful citizens in Great Britain who would be prepared to come to Australia, but they do not wish to land in this country and be compelled to carry a swag from door to door in search of work. I am strongly opposed to an immigration policy that will result in flooding this country with men and women from abroad before our own people are found employment. In Ballarat the other day I was informed by an official of the Returned Soldiers' Association that 400 men in that city are awaiting work. They were drawing a sustenance allowance, but they do not want that. A business man said to me the other day, "I have two young men working in my office who were drawing a sustenance allowance. Although they are smart lads, they could not get anything to do for months, and so I found employment for them. They are well worth what they are paid in the office, and it was pleasant to see how delighted they were to get off the streets into some useful occupation, and be made independent of Government sustenance." What applies to these lads applies to 99 per cent. of the other fellows, of whom so many thousands are wanting employment. What I have said refers to only one city in Victoria, but the same thing applies to nearly the whole of Australia. Why, then, are not the Government active in getting them settled before they agitate to bring people from other parts of the world? If we could truthfully state that there is not one returned soldier in this country desirous of employment who has not got

it, it would be the finest possible advertisement to induce emigrants to come here.

Senator LYNCH.—There are two jobs waiting in the country for every man who goes there.

Senator BARNES.—My experience is altogether different. As president of a big organization, it is my business to know what is doing in the labour markets of Australia, and to put men in touch with work if I can. My experience, and the experience of our organization, is that the work is not there, and that thousands of men are now out of employment in Australia, not because they desire to be, but because they cannot help it. That is a bad condition of things in every way.

Senator BUZACOTT.—There are a lot of returned soldiers waiting for employment.

Senator BARNES.—That is my experience also.

What I said about wool applies to wheat, meat, leather, and a number of other products which we send away from Australia to give work to people on the other side of the world. Instead of keeping the work, and the money, too, in our own country, we send it all out of the country and cart the material twice across the sea, to use it finally ourselves. There is no sense in that system, and it ought to be altered. We are told, on the authority of the Prime Minister (Mr. Hughes), that Germany is easily the most highly-organized industrial country. She organized her industries in a way that we possibly have not attempted to do in Australia, by means of bounties and other things. There are many ways in which we can do this, once we settle in our minds that we are going to do it. We must first resolve to establish these industries in this country, irrespective of what is said by monied interests in other parts of the world. We must keep in mind all the time the motto, "Australia first," if we are to make this country what it ought to be. If we do that we may expect effect to be given to some of the Government's promises.

I listened attentively to Senator Fairbairn's remarks regarding arbitration, and congratulate him upon his very evident earnestness and desire to find some means to avoid the industrial troubles that are continually recurring in this country. I believe that it is possible; but

it is only possible by getting earnest and honest men to deal with the problem.

Senator PEARCE.—Hear, hear! On both sides.

Senator BARNES.—Yes, on both sides. We have an Arbitration Act, and some one said this morning that arbitration had done a great deal more for the workers than strikes had done. I am a strong advocate of arbitration, but I would point out that strikes brought about arbitration.

Senator SENIOR.—They forced the people to get something better.

Senator BARNES.—Strikes forced the people to legislate for something that would obviate them if possible. I am also well aware that before we had arbitration we could not get conciliation. Senator Fairbairn, as a prominent member of the pastoral community, will remember the times I am speaking of. I have been interested in the pastoral industry, in perhaps a humbler way than the honorable senator, for many years. I remember that, before we had arbitration, my organization went time after time to the Pastoral Association, and requested them to meet us in conference. Time after time that request was point-blank refused. They would not meet us.

Senator FAIRBAIRN.—And now the boot is on the other foot.

Senator BARNES.—That is not so.

Senator FAIRBAIRN.—You are the top dogs now.

Senator BARNES.—But we never refuse to meet the pastoralists. I am continually meeting their representative here to talk over various difficulties, and I am pleased to be able to say that we manage to settle them. When we cannot agree, the Registrar contrives to settle the trouble for us. That arrangement has been mutually satisfactory. In the early days, the other side simply said to us, in effect, "Get off the earth. How dare you ask us for an opportunity to talk over your troubles? Our troubles about your troubles! We are doing all right." That was the spirit in which the Australian Workers Union were received, and it was the experience of every organization in this country before the Arbitration Act was passed. We forced on arbitration because we were prepared to fight, and struck and struck again until we got it. An honorable senator interjects that we

are still striking. I admit that we still strike, but that is only when it is necessary and unavoidable. The Government party say they are going to alter the Arbitration Act. They said the same in 1917 and 1918, but they have not done it yet. I hope they will carry out their promise and do something to make that magnificent piece of machinery more adaptable to the requirements of the times. It is absurd for the daily press to say that agitators go out and foment strikes. Nothing is further from the truth. I have been connected with a number of strikes, and I assure the Senate that I would sooner be there as one of the rank and file than as an officer at any time.

The Arbitration Act has many faults. Mr. Justice Higgins has pointed out many directions in which it can be amended in order to give better service to the people. Organizations have also pointed out many particulars in which the Act wants amending. The great trouble is that, when organizations state a case and file a claim before the Court, the Court work is so congested that they have to wait a long time for a hearing. In some cases it has been as long as two years. We all know that during the war the cost of living has been going up by leaps and bounds, and no man can be expected to work contentedly at the same wage when he knows that it costs him 15s. to buy what cost him only 10s. two years ago. Everybody knows that that is true, and it is time we altered it. We should attempt it now. Possibly, we are limited to a certain extent by the Constitution, but we ought to find out where that limitation ends. We should test the matter again and again until we ascertain how far the Constitution does actually limit our arbitration power.

Senator LYNCH.—What about the cases where strikes have occurred almost on the heels of a fresh award?

Senator BARNES.—Strikes will occur, as the honorable senator knows, but it is very rarely that a strike occurs unless there is some good reason behind it, because, after all, our people are not all fit for the lunatic asylum. They are common-sense people, and do not go on strike for fun. It should be the concern of the Government to remove the dis-

abilities which face the workers. After all, they are our people; they are the people who create the wealth; and surely, therefore, they are the most important section of the community. They should be considered, and the desires they express should at least concern the Government, if the Government intend to do what is best for the whole people. If possible, the Government should amend the Arbitration Act so that it will not take longer to have a case heard in the Arbitration Court than it does in a civil Court. In seven days, or at the very outside in three months, one can get into Court with any other kind of case in this country. Why cannot the Arbitration Court be organized in the same way? Why should my organization have to wait for six months or a year for a hearing? Why should not people be able to get before the Court within a reasonable time? Of course, certain things have to be done when a claim is filed, because the other side must be informed of what you are asking for, but that should not take two years or anything like it. More Judges should be appointed, if necessary. I would not care if we had fifty Judges receiving £2,000 a year each, if by that means we could keep the industries of this country going, and give the industrial organizations confidence that they will get a square deal. Senator Fairbairn can wield a great deal of influence among the people with whom he is in touch regarding industrial affairs. He can impress on them that something is expected from them also. They must know that they must swallow some of their pride, just as we have to do who do the work in this country, and they should recognize that when we file a claim or approach them in any way we are not actuated by a mere whim. When we approach any section of the employers with a demand, whatever they think of it they should understand that it concerns us any how, if it does not concern them, and that the request has been honestly made and ought to be courteously met. I have been on deputations down here with my organization, where those receiving the deputation annoyed one by their offensive manner so much that it almost made one want to get up and "crack" them.

Senator FAIRBAIRN.—I do not think that has been the case recently.

Senator BARNES.—It happened not very long ago. It may not do much good to make the thing public, because I believe that sometimes the soft word gets you a long way further than the angry one.

The Arbitration Court is distasteful now to a very large section of the industrial organizations. Take the case of the recent seamen's strike. I knew the full extent of the men's case, and thought it a reasonable one. Evidently they impressed the Government with the reasonableness of their claim in the end, because the Government stepped in and settled the dispute. The Court could not do so. These things are important, because that struggle held up thousands of men who were not directly interested in it. When the coal supply of a country is stopped the wheels of thousands of industries are stopped, and people who are not directly concerned in the strike are looking for something to eat. It is a calamity when such a thing can occur, and if any Government, Labour or otherwise, can remove the cause it is doing good service to the people. I hope the Government will keep their promise by making the Arbitration Court so plastic and pliable to the service of the people that it will gain the full respect of all the industrial organizations.

Senator PEARCE.—How would you enforce awards?

Senator BARNES.—I know that that is very difficult. There is machinery in the Act to provide for certain penalties, but I do not remember any case where these have been enforced. My organization, which embraces over one hundred thousand workers, is an arbitration union. We stand for the awards of the Court, and have done so for a number of years. We have been able to work amicably for the people who employ our class of labour.

Senator LYNCH.—You have some strikes.

Senator BARNES.—Odd strikes cannot be avoided, but those which have occurred in the pastoral industry have not been of any great magnitude or importance. We have kept our awards, the other people have kept them fairly well also, and that big industry is being carried on without any great trouble.

Sitting suspended from 1 to 2.30 p.m.

Senator BARNES.—When the sitting was suspended, I was proceeding to show that whilst the organization of which I am a member stands for arbitration, and whilst its members have worked under Arbitration Court awards over a long series of years, it is an impossibility for that organization to get its trouble settled always by means of arbitration. That is why I desire to enlist the interest of Senator Fairbairn in this matter. I know that he is a gentleman who deservedly wields a great deal of influence with the employing class. I wish, therefore, to point out to him that there are a great many instances in which members of the Australian Workers Union are unable to get to the Arbitration Court.

A day or two ago I called attention to a dispute that exists at the present time amongst the men engaged upon the Murray River waters scheme on the Victorian side of that river. In reply the Minister representing the Minister for Home and Territories told us that—

The State submits to the Murray River Waters Commission proposals and estimates of works. These are subject to approval by the Commission. When the construction of works is authorized, the execution, including employment and fixation of wages, is a matter for the State-constructing authorities.

Now the Commonwealth is contributing towards the Murray River waters scheme the sum of £1,000,000, and New South Wales, Victoria, and South Australia are each contributing a similar sum. The Chairman of that Commission is the representative of the Commonwealth. The position to-day is that the men who are engaged upon the Mitta works on the Albury side of the river are working under an award of the State Arbitration Court, and receiving 14s. 3d. per day, whilst the men who are employed upon the Victorian side of the river, and who cannot get a Wages Board, or other industrial tribunal, to determine their claim, are being paid only 12s. per day. I am assured that these works will be in progress for about twenty years, and that, in course of time, they will employ 7,000 or 8,000 men.

Senator GUTHRIE.—That is the fault of the honorable senator's association, which advised the electors to vote "No" upon the recent referendum proposals.

Senator BARNES.—That association did nothing of the kind. Personally, I

am very sorry that the proposals were not carried, because we should then have been able to test the sincerity of the Government in regard to them. Owing to the conditions which I have outlined a strike is now in progress on the Murray River works—a strike in which some 300 or 400 men are involved. It is impossible for any organization to induce its members to work for 2s. 3d. per day less than other men are receiving for doing precisely similar work right alongside them. Yet the daily press has the temerity to tell us that we are the people who are engendering industrial strife. The State Government will not act in this matter, and consequently I appeal to Senator Fairbairn to bring his influence to bear with a view to securing a satisfactory settlement of this industrial dispute. I need scarcely remind honorable senators that thousands of our soldiers are returning to Australia, and that many of them are waiting for land upon which they can establish their homes. I understand that the Government intend to settle a large number of them along the waterways of the various States. It is important, therefore, that this scheme should be carried out promptly in order that the wealth of this country may be greatly increased. The Government have £1,000,000 invested in the Murray River waters scheme, and a great portion of their Repatriation policy hinges upon the expeditious carrying out of that undertaking. It would, therefore, be distinctly to their advantage to get the men who are now on strike back to their work without unnecessary delay. There are influences which can be brought to bear on the Government, and I hope that every honorable senator will do his best to bring about the result which I have indicated.

We have heard a good deal of talk recently about the need for re-establishing the trade of the world. But there are some persons in the community who say, "Notwithstanding our great desire to re-establish the old order of things, if the prosperity of the earth depends upon our trading with Germany, so far as we are concerned we cannot assent to it." In a speech made by the Prime Minister which was reported in the *Argus* of the 6th September last year, the right honorable gentleman said—

Germany stands to-day the best organized nation in the whole world for the commercial

war that is to be. There are people here who speak to me about trade relations with Germany. Well, gentlemen, you must choose. If you want trade relations with Germany get some one else.

What sense is there in taking up such a position at that? I have here cuttings from the daily press of Victoria, which show that, at the time the Prime Minister made this silly statement, England, America, France, and Switzerland had resumed trade relations with Germany.

Senator NEWLAND.—America particularly.

Senator BARNES.—Yes. In Australia we have large shipments of wheat and wool awaiting transport to the markets of the world. Yet the Prime Minister wishes to put the 90,000,000 of people in Germany—who, according to him, are the best organized race on the face of the earth—into a bottle, and to jamb the cork down tightly, so as to keep them there. His attitude is a perfectly ridiculous one. The war is over, and it is our business, as quickly as possible, to wipe out all the soreness that has been engendered by it. It is impossible to bottle up 90,000,000 of the most intelligent and highly-organized people in the world. It is generally supposed that the Allies are going to get thousands of millions of pounds by way of indemnity from Germany. I do not think that Australia will get any of it, and I am very doubtful whether it would do us any good if we did get it. Seeing that we have vast quantities of wheat, wool, meat, and other classes of merchandise awaiting transport to the other side of the world, we would be absolutely foolish if we cut out one of the best buyers we could possibly get. If Germany is so badly in need of raw materials she will probably be prepared to pay the highest prices for them. At present we do not sell our wool to Germany. But what happens? We sell it to Britain, France, and America, and they, in turn, sell it to Germany. The middleman thus gets the profit. It is like instructing an auctioneer, at a horse sale, to disregard the bids of the best buyer present. We must recognise that the 90,000,000 of German people naturally wish to see their country restored as soon as possible. By helping them to re-establish normal conditions there, we shall be doing something in the interests of our own people. I trust

that, in the future, we shall hear less of the stupid attitude towards Germany which has been exhibited by the Prime Minister.

I regret what appears to be the defeat of Labour at the recent general election. I am sorry that I shall have to vacate my seat here, but I trust that my absence from the Chamber will be merely of a temporary character. I hope that in the days to come, when the bitterness which has been engendered by the recent war has passed away, the 600,000 trade unionists of this country will be reunited, that they will wipe out the little differences which have separated them in the political field, so that by the time the next election comes round, their full strength may be exerted, instead of being dissipated by reason of divisions over comparative trifles. If those 600,000 voters with their sons, brothers, wives, and sisters marched together to the ballot-box they would have very important influence upon the result of any future election, because they would represent a very big percentage, if not a majority, of the 2,250,000 votes that are polled in this country. And so I say to my fellow-unionists outside, "Never mind your internal bickerings, the time is coming when it will be necessary, for the political salvation of this country, to remove all these pinpricks which are creating differences between you, and rally to fight for the bigger things that we all expect Australia to see." We hope, in the course of time, to have in Australia a population ten times greater than at present, and all properly catered for, in an industrial and political sense. And if we close up our ranks we shall be able again to show, as we were demonstrating before the war, that there is a part of this earth upon which people can live together in happier and better circumstances than in any other part of the world. I shall leave this Senate with some regret. I have been in politics for seven years. I came here with certain definite and clear principles, and I can say that I shall go out without sacrificing one of them. I have not gone back on any pledge given to my constituents or the organization of Labour, and I feel that I shall be able to say that whether I have accomplished much or little, at least I have been true to the promises I gave to my people. I know, however, that I shall not be out of the political

contest altogether. It is not my nature to remain silent, and so, when I vacate my seat in this august Chamber I shall take up my work outside. All my life I have been in the stress of the industrial and political world, and in future I shall do my share of the work as I have done in the past. I hope that I shall do it as loyally and as earnestly as in the days before I came into this Chamber, and as honestly as I did while here.

Senator FOLL (Queensland) [2.50].—I should not have spoken on the Address-in-Reply but for some remarks made by Senator Ferricks in relation to the financial position in Queensland and the attitude taken up by members of the Nationalist party during the recent election campaign. When Senator Ferricks charges Government supporters with having vented their spleen upon Queensland he is making a statement that is absolutely wrong. Queensland occupied a prominent place in the election campaign, chiefly because of the financial condition of the State as the result of the administrative acts of the gentleman who is now the honorable member for West Sydney (Mr. Ryan). I think, therefore, that members of the Nationalist party were doing their duty to Australia when warning the people not to accept as a leader, and a possible Prime Minister, a man whose administration had brought Queensland into its present chaotic condition, and who was glad enough to get out. Senator Ferricks also made some reference to the increased wages paid to Queensland Government employees, including those in the Railway Department. I admit that these increases were justified, but I point out that the higher freights and fares charged more than covered the extra amount paid to employees, and, in spite of this fact, last year's operations showed a considerable deficit.

Senator O'LOUGHLIN.—But were not the employees sweated previously?

Senator FOLL.—I have admitted that the employees were entitled to the various increases paid to them. I would be the last to say that any public servant should be expected to work for wages not in keeping with the present high cost of living. But I point out that the railway deficit for 1918-19 was £1,421,328 as compared with the surplus of £48,651 in 1914-15, when the previous Government relinquished control.

Senator O'LOGHLIN.—Can the honorable senator point to any railway service in the Commonwealth that did not show a deficit during the war period?

Senator FOLL.—That does not enter into the discussion at all. The railway services of the Commonwealth were recouped by the Defence Department for any extra expense as a result of the war!

Senator O'LOGHLIN.—But all the States, and not Queensland alone, had a deficit. That is the point.

Senator FOLL.—The honorable senator will have an opportunity of putting his views before the Senate if he wishes to do so. It is my purpose to remove any misconception created in the minds of honorable senators by Senator Ferricks' remarks. The honorable senator also said that certain influential gentlemen in Queensland were getting into communication with financial authorities in Great Britain with respect to the proposed State loan. I venture to say that these people are not alone in their condemnation of the Administration. The Auditor-General, in his report, states—

There is now a world-wide demand for economy in respect to public expenditure, and, in view of the deficits of the past three years, together with the information conveyed by the figures in general, appearing in the report, it is obvious—if the financial stability of the State is to be maintained—that the gravity of the present situation and the risk in regard to the future call for thoughtful reflection.

While the railway receipts since the State Labour Government have been in power have increased by 5.04, other receipts increased by 8.3 per cent., and taxation by 190.5 per cent. Notwithstanding this heavy increase in taxation, the Queensland Government finished last year with a deficit. Yet Senator Ferricks has the temerity to say that Nationalist candidates had no right during the election campaign to bring the finances of Queensland into the discussion at all. I am one of those who believe that Queensland is second to no State in the Commonwealth. I believe that, with sane administration and if given a decent opportunity, Queensland, from a productive point of view, will compare more than favorably with any other State.

Senator O'LOGHLIN.—But your own people have been running down Queensland by disparaging the Labour Government.

Senator FOLL.—We did criticise the State Administration, and I think we struck the right note when we warned

the people not to put into power in the Commonwealth a Government of the type that we have endured in Queensland for the last five years.

Senator O'LOGHLIN.—Give us some extracts from the Commonwealth Auditor-General's report concerning the mismanagement and extravagance of the Federal Government.

Senator FOLL.—If the honorable senator desires, he can do that in his own speech on the Address-in-Reply. I believe that the people of Australia are to be congratulated for not having returned to power a Labour Government led by the gentleman who was Premier of Queensland during the period under review.

I should like now to deal with certain matters in connexion with the Repatriation Department. In Queensland it is not the policy of the Government to part with the freehold, and so returned soldiers who desire to settle on the land there are at a distinct disadvantage as compared with returned soldiers settled on the land in other States, where land settlement is on the freehold basis. I do not know what the constitutional position is, but I was always under the impression that there should be no differentiation between the States, and, as I have just pointed out, land settlement in Queensland is on a different basis. The money for land settlement is provided by the Commonwealth Government, but the administration is in the hands of the State authorities. I take it that it is possible for the Commonwealth to procure land in Queensland which might then be devoted to the settlement of returned soldiers on terms similar to those which can be taken advantage of by returned men in the other States. I ask the Government to see that a close watch is kept upon the land thrown open in all the States for the settlement of returned soldiers. On some of the soldier settlements in Queensland the returned men are doing well, and will doubtless become prosperous citizens, because the land selected for them is good land. In other cases, and notably in connexion with the soldiers' settlement on the North Coast line, the land is patchy in character, and, whilst a man on one farm is doing well, his neighbour may have struck a bad patch, and is not doing well. In view of the fact that the Commonwealth Department of Repatriation is

providing the money for soldiers' settlements, I urge the Government to keep a closer watch upon the quality of the land thrown open for returned soldiers.

Another matter in connexion with repatriation to which I should like to refer is the assistance given to totally disabled men. I have in mind the case of a returned man who has an injured spine, and whose handicap, because of his injury, is as great as that of a man who, unfortunately, may have returned totally blind. I need not give the name of the returned soldier, but the particulars of the case show that it is a very deserving one, and I know of others equally deserving of consideration. I think that these totally disabled men should be treated by the Repatriation Department in the same way as are the totally blind. The case to which I refer is a spinal case. The man is paralyzed, except for his shoulders and head, and there is no hope of his recovery. His total allowance is £2 9s. per week, plus 8s. 9d. from the patriotic fund; and, in addition, a daughter has recently begun to earn £1 per week, making a total income from all sources of £3 17s. 9d. Rent, railway, and life insurance reduce this to £2 16s. 9d., out of which the mother, two girls, aged seventeen and twelve, and a paralyzed baby of two-and-a-half years have to be supported. At present, the baby is in the Children's Hospital, but is expected to be returned home soon. The mother states that they managed to live on this amount until prices went up, but that now it is quite impossible to do so. This man is at as great a disadvantage as is the poor fellow who unfortunately lost his sight in the war, and I ask the Government to consider whether men totally disabled, from whatever cause due to the war, may not be treated in the same way as are those who are totally blind.

With regard to the position of theological students who went to the war, I understand that the principle laid down by the Government is that, unless such students enlisted before they were twenty years of age, they are not eligible for the benefits of repatriation, and the Department will not provide them with the necessary funds to continue their education until they have been ordained to the ministry of the churches with which they are connected. I have had brought

before me the case of a returned soldier who is a theological student, and whose application for assistance for his college course was rejected on the ground that he did not enlist until after he was twenty years of age. In this case, the reason why the young man did not enlist before he was twenty years of age was that, before he reached that age, he had not reached the height required for enlistment. He was then only 5 ft. 4 in. in height. The Minister for Defence (Senator Pearce) is aware that, when recruiting began to fall off, the standard of height was reduced, and this young man was then enabled to enlist, and did so. Because he did not enlist before the age specified by the Repatriation regulation, he is refused assistance by the Department to continue his theological studies. The State Board of Queensland expressed sympathy for this young man, but pointed out that they had emphatic instructions from Melbourne that no college student who did not enlist before he was twenty years of age was eligible for the assistance asked for. This case was brought before the Repatriation Committee by the Rev. Canon Garland, a gentleman who has taken a very great interest in returned soldiers in Queensland, and he was informed that no deviation from the regulation could be considered in this case. I think that such cases might receive more sympathetic consideration. In the Governor-General's Opening Speech there is a reference to the intention to make certain amendments in the Repatriation Act, and I hope that this matter will not be overlooked when the amendment of the measure is under consideration.

Another matter deserving attention is the fact that returned men making applications before the State Boards feel that sometimes their requests are turned down, because, through illiteracy, or because they may be suffering from results of their war service, they are unable to state their own case as effectively as it might be stated. It is suggested that such men should be given permission to appoint some one to appear for them in support of their applications, and I commend that suggestion to the favorable consideration of the Minister for Repatriation (Senator Millen).

I am very pleased to see that at last the Commonwealth Government have taken some action to stimulate cotton growing in Queensland. An American Commission that recently visited the State has reported that there are parts of it that are admirably suited for cotton growing. Perhaps the most important statement in their report is that the old idea that cotton growing is a black labour industry is quite exploded. I believe that in America to-day the most satisfactory results have been obtained from cotton growing carried out entirely by white labour.

Senator ROWELL.—It is the gathering, and not the growing of the cotton that is the trouble.

Senator FOLL.—The American Commission to which I refer state conclusively that the whole business from planting to harvesting is a white labour industry. In view of the world's shortage of cotton, and the prices which, as the result of our being in the hands of unscrupulous English combines, we are called upon to pay for cotton, it is the duty of the Government to encourage its production in Australia in every possible way. The United States of America produces from 12,000,000 to 14,000,000 bales of cotton of 500 lbs. each every year. About 12,000,000 of people are engaged in producing and handling the crop. England imports cotton fibre to the value of from £70,000,000 to £100,000,000 every year in normal times, and, in addition, cotton seed and oil in huge quantities.

Senator ROWELL.—From America or from Egypt?

Senator FOLL.—I cannot say. I give the total importations of Great Britain from other countries to show that there is a tremendous market for cotton, and I hope that the Government, through the Bureau of Science and Industry, will give every assistance to the proposal to open up land suitable for the production of cotton in Queensland. The Minister for Trade and Customs (Mr. Greene) has announced that the Government intend to fix the price of cotton, and there is no reason why the cotton industry should not be in a flourishing position in Australia in the near future.

It has been said that the Governor-General's Opening Speech is brief, and I am pleased that it is so. I take it

to be an indication that the Government do not intend to launch out in a number of new directions, but rather to indulge in a few years of careful administration. It will be admitted that our finances need very careful nursing indeed. If the brevity of the Speech is an indication that the Government intend to carefully conserve the finances of the country, as I believe they will, their return by an overwhelming majority at the recent election will be justified. This is not a time for extravagant expenditure in new directions. I believe that the people in recording a vote for sane, national, democratic government, as against revolutionary Socialism, will not have cause to regret the step which they took on the last polling day.

Senator O'KEEFE (Tasmania) [3.12].

—In view of the fact that the electors of Tasmania, or at least a majority of those who recorded valid votes at the last election, were not satisfied with the policy which I and those associated with me put before them, I shall not undertake a criticism of the policy of the Government as set out in the Opening Speech. I think, however, that it is only right that I should place on record in the official pages of *Hansard*, which is the only publication likely to contain such information, a few facts concerning the peculiar working of the present Electoral Act in connexion with counting, recounting, and adjustment of preferential votes at the last election. As there may be some intention to do away with the inequalities and absurdities of the existing law, I propose to put in evidence, not my own opinion of the Act, but that of two journals published in Tasmania that are consistent supporters of the Ministry and their policy, and consistent opponents of myself and the party to which I belong. I shall make my first quotation of a brief extract from a leading article published in the *Hobart Mercury*, which Ministers are well aware is a strong opponent of my policy, and an equally strong supporter of theirs. On the 5th January, when the actual results of the polling in the Senate elections in Tasmanian were made known, the *Hobart Mercury* published the following statement in a leaderette:—

It is natural that supporters of Labour everywhere in the Commonwealth should

be feeling very sore over the working of the system of voting, which in the present election has almost wiped them out, and in our own State has completely done so. Nor do we think the disgust is confined to members of the Labour party. Personally, we endorse the local designation of the result of the election for the Senate as "The Senate scandal."

The Labour party had been issuing articles in relation to the system of voting adopted, headed "The Senate Scandal"—

And probably many members of the Nationalist party take the same view. It would be an unpleasant task, of course, to have to answer the question of which Nationalist senators-elect we would leave out in order to make room for Labour representation; nevertheless, there is a very considerable anomaly in the fact that the man who actually received the highest number of No. 1 votes in the whole poll, and who, therefore, under the old system of polling, would have come out at the top of the poll as the first of ten candidates, should fail to get a seat. Still more anomalous is the fact that when Labour candidates received the votes of 24,190 electors to the Nationalist 5,162, Labour should not secure a single representative, whilst Nationalism gets four. This is a result neither just nor wholesome. No honest man can support it for a moment. As it is mathematically due to the system, under which a single strong man in a party carried in all the other candidates of his side, no matter what the worth of the other side if the total vote is inferior, the sooner the system is changed for one less unjust and more proportional, the better for the morale and the reputation of Australia.

That is the opinion of a newspaper supporting the principle of proportional as against preferential voting. In the same issue, in another leaderette, the following appears:—

The request made by Senator O'Keefe to the Chief Electoral Officer for Tasmania that he be permitted to make a personal scrutiny of the Senate ballot-papers which were rejected as invalid, is, on the face of it, not unreasonable.

Senator O'Keefe does not suggest that there has been either neglect, misunderstanding, or fraud on the part of any of the officials engaged in the count. If he had even hinted at such charges, the only possible course would be to recommend him to enter a petition in the regular way, which would be considered by the Court of Disputed Returns. But, if we rightly understand Senator O'Keefe, he desires to have this information, and to make it public, in order to show exactly what number of electors may be presumed to have desired to vote either for the Nationalist or the Labour candidate. The Chief Electoral Officer has, it appears, no power to comply with the request, which, however, he is sending on to the head office in Melbourne. If the supposition is correct, the deduction may follow that the intelligence of Labour supporters is of a lower average than

that of Nationalist supporters. But the Constitution, in giving this right to vote, does not take count of intelligence. Provided a person has reached the age of twenty-one, and complied with certain simple requirements, he has the right to be enrolled as an elector, and to vote for the election of members of the Senate and of the House of Representatives. In our opinion, Senator O'Keefe would be acting with better discretion if, instead of trying to puzzle out from invalid papers how many people were unable to vote as they wished, he took up the larger question, irrespective of party, of endeavouring to reduce the probability of informality.

That is exactly what I did in the last hours of last session when the Electoral Bill was before the Senate. I moved a number of amendments designed to decrease instead of increase the number of invalid votes. The article continues—

A scrutiny of informal ballot-papers will not by any means reveal the number of persons who voted in some way different from their intentions, nor in the proportion of such belonging to each political party. The fact is that the Senate ballot-paper, with the necessity of marking preference for not less than nine candidates, was a severe trial to many people of high intelligence, and even to those who knew exactly what they wished to do. It is reasonably certain that a good many people made mistakes, without making their papers informal, and it is a fact that a considerable number solved the problem by marking their preferences straight down in the order in which the names appeared. We do not believe that these mistakes affected the result of the election; but, had the numbers been closer, it might have had very serious effects. It is certainly desirable, and even necessary, to have a system of preferential voting, in order to meet the difficulty of candidates on the same side splitting the vote, and allowing a minority representation. But the system now in force appears to us to be far too rigid, and tends to take away from a certain number of people the right to vote which the Constitution allows. It will be admitted that there are obvious difficulties in the way of giving any considerable discretion to electoral officers, and that the Electoral Act and its regulations must be precise in their terms. But these might be so framed and worded as to provide that when an elector so marks a ballot-paper as to leave no possible doubt of his intention, that vote should be allowed. For example, at the last Senate election, if a paper was marked 1, 2, and 3 for Senators O'Keefe and Guy and Mr. Woods respectively, and went no further, that paper would be informal. And yet there could be no possible doubt that the elector desired that the three vacancies which will occur on 30th June next should be filled by those three candidates. The probability is that such an elector, desiring to be represented by Labour candidates, did not care in the least which of the other candidates was elected if his own three failed. The same thing precisely might have happened with many Nationalists, who, having voted for their

own chosen candidates, considered they had done enough. It is true that the method of voting was explained; but some people were still ignorant of it, and made mistakes, for which they paid by losing their votes. Considering that the party system exists, and is frankly recognised, it seems to us absurd to compel electors to mark preferences right through. The simpler the method, the more likely is an election to result in giving effect to the will of the electors, and when an elector has made it quite clear what are his wishes, that vote should be counted as valid.

So much for the opinion of that newspaper, which is one of the strongest supporters in Australia of the Government, and one which is, naturally, opposed to the Labour party.

Senator GUTHRIE.—By whom was it written?

Senator O'KEEFE.—The editor or leader writer of the Hobart *Mercury*, I presume.

Senator GUTHRIE.—Is his opinion of more importance than that of the Parliament?

Senator O'KEEFE.—What a ridiculous interjection. It seems that one is not allowed to quote the opinions of leading authorities in one's own State. Surely I am justified in submitting opinions expressed in the leading articles of the papers published in the State I represent just as other honorable senators are in quoting leading articles from the newspapers in the States they represent. Senator Earle knows that the journal from which I have quoted is an important factor in influencing the minds of the electors, and it did so at the recent election. We cannot get away from the fact that newspapers very largely influence the electors on the eve of an election through the medium of their leading articles, and when an important journal such as the *Hobart Mercury* directs attention to what it considers to be a fault in our electoral system, surely I am justified in quoting it.

Perhaps the figures I am about to give will be of interest to Senator Guthrie, and will show that an amendment in the Electoral Act is necessary. I am speaking as a defeated candidate, and, to that extent, may be handicapped, but I am sure a majority of the people of Australia, irrespective of parties, came to the conclusion when the final results were announced that the Act was faulty,

particularly as regards the method of counting and apportioning the votes. I honestly believe that the Act should be repealed and some more satisfactory measure drafted, to allow the electors to express their opinions more freely. We have to bow to a majority of the electors when they express their opinions in a valid way. I am sure Ministers will see the force of the figures I intend quoting from the *World*, a paper supporting the Labour party, but they are the same as those published in other papers. Senator Mulcahy was elected by 33,172 votes for a term of approximately six months, and Mr Payne, who secured 30,277 votes, has been elected for a period of six years, although Senator Mulcahy received the greater number.

Senator FOLL.—Is not that matter *sub judice*?

Senator O'KEEFE.—Yes.

Senator GUTHRIE.—It should not be referred to now.

Senator O'KEEFE.—I do not think for one moment that any honorable senator can conscientiously argue in that direction. This is the place where the Act was framed, and where any criticism concerning it should be made. I do not think it matters whether the question is *sub judice* or not, as I am sure the Judge who hears the case before the Court of Disputed Returns will not take the slightest notice of any opinion expressed in this Senate. I have every right to express my opinions, and, through the medium of *Hansard*, to bring them clearly before the people of Australia. The fact stands there in all its nakedness that a man who received only 30,277 votes is elected for a term of six years, whereas one who received 33,172 votes is elected only until the 30th June next.

Senator PEARCE.—The honorable senator must remember that there were four separate counts.

Senator O'KEEFE.—Of course there were, and because the system compels four separate counts to be made it is imperative for me to make these remarks. Every single vote which was properly counted in favour of Senator Mulcahy should have been recorded in his favour on every other count. It stands to reason that, so far as preference went, those electors who recorded their votes to the

extent of 33,172 for the six months' seat would also have recorded their votes in his favour when the count was made for the other seat.

Senator PEARCE.—The exclusions are not the same.

Senator O'KEEFE.—That is the absurdity of the Act, and, no matter what mathematical system may be followed, it cannot be shown why a man receiving 33,172 votes should be defeated by a candidate receiving only 30,277 votes. No student of the electoral systems of the world, or any one else, would be prepared to say that such a system should stand. I believe that before the next election public opinion in this matter will be so strong that the Government will be compelled to amend the Act. According to the figures published in the *World*, the final count showed that Millen, who was declared elected, received 33,247 votes, and O'Keefe was the runner-up with 26,105 votes. For the second seat, Foster secured 33,173, and O'Keefe was runner-up with 26,179. For the third seat, Payne received 30,277, and O'Keefe was the runner-up with 29,075. Here is an anomaly which will take some explanation. In one count O'Keefe is credited with 26,105 votes, and he is defeated. In the next count for the second seat O'Keefe receives 26,179 votes, and, although he has gained, he is again defeated. In the voting for the third seat, Payne receives 30,277 votes, and O'Keefe 29,075. It is a remarkable system of counting votes which allows O'Keefe to go up in the count for the third seat from 27,000 to 29,000, or only 1,200 votes behind Payne, while for the fourth seat Mulcahy is declared the winner with 33,000 votes, and O'Keefe drops back to 26,250. When the Bill was going through the Senate, every honorable senator thought that in the distribution, readjustment, or allotment of the preferences the same results would be obtained all the time, and that the same preferences would be counted for every candidate all the time, and every time, until that candidate obtained an absolute majority.

Senator PEARCE.—They never thought the same ballot-papers would be counted all the time. How could they, when, in one case, an excluded candidate would be

at the bottom of the list, and in the next case at the top?

Senator O'KEEFE. — No candidate was actually excluded. He was only laid aside for the time being, and brought back into the count again. It is also a remarkable system which allows a man with 33,000 votes to be declared defeated by a man with 30,000 votes. The *Launceston Examiner*, also a consistent supporter of the Government, and a paper which was very pleased to see the Labour party wiped out, published the following remarks about the working of the Act and the necessity for its amendment:—

Nationalists recognise that the system is unfair, and that it reflects discredit on the Federal Parliament which enacted it. Possessing a majority of the votes, Nationalists were entitled to majority representation, but the minority were also entitled to their share. Mr. O'Keefe polled a little over 29,000 votes on the count which resulted in Senator Payne's election, yet this large body of electors, almost one-half of the whole, is totally unrepresented in the Federal Parliament. If the vote in the other States is equally solid on party lines, then Labour will not have a single representative in the Senate. A system which produces such a result is an insult to the intelligence of the community. It is absolutely indefensible, and although it was enacted by a Nationalist Government, we are by no means proud of the victory obtained by such questionable means. Both parties have had an opportunity of introducing a fairer system, hence both must share the odium which attaches to it, and the aim should be to wipe out a system which offends the public sense of fair play, and introduce proportional representation at the earliest moment.

The paper which supported the Labour party and the two chief newspaper supporters of the Government were, and are still, unanimous in condemning the peculiar system of counting the votes which had that remarkable effect. I could quote further articles from the *Mercury* to show that compelling the electors to vote for double the number of vacancies, plus one, made a large increase in the invalid votes absolutely certain. It is shown that not only poorly educated and totally uneducated people spoil their ballot-papers because of that, but that a large number of educated and intelligent people also did so. I wish to put these things on record in *Hansard*, because I believe the time will come, between this and the next election, when a system of voting, and particularly of counting votes, will be devised that will allow people to express

their views in such a way that their votes will not be invalid. Public opinion will force on that alteration if the Government do not see fit to amend the Act themselves.

I shall take further steps to obtain access to the invalid votes. In view of the fact that about 10 per cent. of the whole of the electors of Australia who went to the ballot-box rendered their votes invalid, it is only fair that we should try to discover the reasons that made them spoil their ballot-papers. There has never yet been a Federal election, and certainly never a State election, in Tasmania where the proportion of invalid votes has been anything like so large. The large increase was entirely due to the system of voting which compelled electors to vote for double the number of vacancies, plus one. I could quote figures for several State elections to show that where from 70,000 to 80,000 electors voted under the figure system, the informal votes were between 2,000 and 3,000; whereas on this occasion, when only about 60,000 persons went to the poll, over 6,000 spoilt their ballot-papers. Thus there were double the number of invalid votes, with 25 per cent. fewer people voting, as compared with the State elections in May last, when every ballot-paper in practically all the five divisions carried as many names as the Senate ballot-papers did. They had to be marked by figures; but the vital difference is that under the State law an elector is compelled to vote for only half the number of vacancies. When people vote for the number of candidates necessary to fill the vacancies, nine out of ten of them feel that they have done enough. If you compel them to go on and vote for double the number and one over, you necessarily increase the number of invalid votes. The Chief Electoral Officer for Australia, and the Chief Electoral Officer for my own State, tell me that the first and greatest cause of invalidity was that the electors were compelled to mark so many candidates. That system must be altered. If Parliament prefers preferential voting to proportional representation, very well. If it is the will of both Houses that the party which obtains only one more than half the number of votes cast shall secure the whole of the representation, well and

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good. If a majority is in favour of preferential voting, and wants to intensify the block system, it is not for me to complain; but I have every reason to demand that so large a number of electors shall not be compelled to render their votes invalid.

Senator MILLEN.—Nobody compels anybody to commit an irregularity.

Senator O'KEEFE.—If you tell them that they must vote for nine candidates, when only four are to be returned, that in itself doubles the number of invalid votes, and therefore compels the people, against their will, to render their votes invalid. There is no compulsory voting system, and the fact that the people go to the poll shows that they want to record their votes intelligently. So long as the Electoral Act gives a vote to every man and woman in Australia, whether they can read and write or not, we should have a system which will allow them to record their votes in a way that can be understood. If Parliament wants to take the franchise away from poorly educated people, there is a proper and straightforward course to adopt. That is by amending the Electoral Act to provide that only certain persons shall have votes for the Federal Parliament. But so long as the Act gives every free man and woman over twenty-one the vote, it is the duty of the Government and Parliament to make the method of voting as simple as possible, and not, as in December last, bring in a system which makes it doubly difficult to record an intelligent vote. I hope that before the next election the Government will see their way clear to bring down these necessary amendments of the Electoral Act.

Debate (on motion by Senator SENIOR) adjourned.

AUSTRALIAN SOLDIERS' REPATRIATION BILL.

Bill presented, and (on motion by Senator MILLEN) read a first time.

PAPER.

The following paper was presented:—
Sugar Industry: Report of Royal Commission.

Senate adjourned at 3.47 p.m.

House of Representatives.

Friday, 19 March, 1920.

Mr. SPEAKER (Hon. W. Elliot Johnson) took the chair at 12 o'clock noon, and read prayers.

NORWEGIAN SHIP *CONCORDIA*.

Mr. CONSIDINE asked the Prime Minister, upon notice—

1. Whether he will inform the House as to the reasons for the continued detention by the Defence authorities of members of the crew of the Norwegian ship *Concordia* who were sentenced to three months' imprisonment and ordered to be deported from the Commonwealth on the expiration of the sentence?

2. Is it the practice of the Administration to keep men in gaol indefinitely after their term of imprisonment has expired?

3. Why was one member of the crew, a citizen of the United States, released, and allowed to ship on the s.s. *Circinus* as a fireman oiler while his comrades remained in military custody?

Mr. HUGHES.—The answers to the honorable member's questions are as follow:—

1. No members of the crew of the *Concordia* are in detention, but three are illegally at large in the Commonwealth, and when found they will be deported.

2. No.

3. All deserting seamen are released from detention as soon as a position is available, and every assistance is given to find them a ship.

SUPPLY BILL (No. 4) 1919-20.

Assent reported.

WAR GRATUITY BILL.

In Committee (Consideration of Governor-General's message):

Motion (by Mr. HUGHES) proposed—

That it is expedient that an appropriation of revenue and moneys be made for the purposes of a Bill for an Act relating to the payment of the war gratuity.

Mr. TUDOR.—We are all anxious to see the Bill, but I wish to know, Mr. Chairman, whether by passing the motion we shall curtail any right we may have in connexion with the amendment of the measure. For instance, will the passing of the motion prevent us from moving that all or a portion of the gratuity be made available in cash?

Mr. HUGHES.—Unless your rights are miraculous in their nature, no amendment which you can move will enable the gratuity to be paid in cash, because we have not the money.

Mr. TUDOR.—That is not the point. I wish to know whether, if we pass the motion now before the Committee, we shall be prevented when discussing the Bill from moving such an amendment. On a previous occasion, I desired to move an amendment in a Pensions Bill relating to blind persons. I think the honorable member for Denison (Mr. La'rd Smith) was associated with me in the matter. We were told that we could not take the action that we desired to take, because we had given effect to the Governor-General's message.

Mr. HUGHES.—Can any but a Minister move to increase expenditure?

Mr. TUDOR.—I am aware that no private member can do that, but the amendments I have in view relate to the methods of paying the gratuity. Shall we be prevented from moving such amendments?

The CHAIRMAN.—No. The motion is merely one for the appropriation of a specific sum.

Question resolved in the affirmative.

Resolution reported.

Motion (by Mr. HUGHES) proposed—

That the Standing Orders be suspended to enable the remaining stages to be passed without delay.

Mr. TUDOR (Yarra) [12.7].—As the Prime Minister knows, I and the members on this side are willing that he shall introduce the War Gratuity Bill to-day, and make his second reading speech upon it, so that we may have an opportunity to study its provisions, but I object to the moving so early in the session of a motion for the suspension of the Standing Orders. Were the Minister for the Navy (Sir Joseph Cook) in opposition, he would object still more strongly. We remember what his attitude was in the first Parliament. In that Parliament such a motion as this was not moved until the last month of the session. It is an unheard-of practice to move it on practically the first day of the session.

Mr. HUGHES.—We have been here a month now. Do you not think it is time that we did something?

Mr. TUDOR.—If the Prime Minister takes the stand that the Government, having a majority, will stifle discussion, and force everything through, as it has done in the past, well and good; but I object to this interference with the rights of members. I have no desire to hold up business. Had I wished to do that, the Prime Minister would not have got the Sugar Agreement last night. It was brought on after 11 o'clock.

Mr. HUGHES.—The honorable member did not dare to vote against it.

Mr. TUDOR.—I did not vote against it, and we on this side have no wish to hold up business, but we have rights which ought not to be curtailed, and therefore I shall vote against this motion for the suspension of the Standing Orders.

Mr. JAMES PAGE (Maranoa) [12.9].—I would remind honorable members generally that we possess certain privileges.

Mr. TUDOR.—No.

Mr. JAMES PAGE.—They are very few, but while the Speaker is in the chair we have privileges, and I appeal to members opposite not to whittle them away, particularly so early in the session.

Mr. McDONALD.—The suspension of the Standing Orders that has been moved applies only to the War Gratuity Bill.

Mr. JAMES PAGE.—That does not matter. If we cannot find the time to discuss a Bill providing for an expenditure, of about £30,000,000, surely we are not deserving of occupying seats in the House? There is no necessity to rush the Bill.

Mr. BURCHELL.—But how can the Prime Minister make his second-reading speech to-day if this motion is not agreed to?

Mr. TUDOR.—Quite easily, by obtaining the leave of the House to do so.

Mr. JAMES PAGE.—When the message came down the Minister for the Navy (Sir Joseph Cook) said that the Government merely wanted to get the second reading moved, and that the debate would then be adjourned.

Mr. HUGHES.—That is what we intend to do.

Mr. JAMES PAGE.—Then there is nothing much to cavil at.

Mr. TUDOR.—Except that we commit ourselves to the suspension of the Standing Orders in dealing with the Bill.

Question resolved in the affirmative.

Standing Orders suspended. Resolution adopted.

Ordered—

That Mr. Hughes and Sir Joseph Cook do prepare and bring in a Bill to carry out the foregoing resolution.

Bill presented, and read a first time.

SECOND READING.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [12.13].—I move—

That this Bill be now read a second time.

In order that honorable members may understand the scheme of this Bill relating to the payment of a war gratuity to the soldiers and sailors of Australia who fought in the great war and the policy of the Government respecting the soldier, it is perhaps as well that I should set out very shortly the circumstances that led up to the adoption by the Government of this proposal. On my return to Australia the Returned Soldiers' and Sailors' Imperial League and the soldiers generally brought under my attention a number of grievances, and suggested certain reforms. As I have always found it better to deal with organized rather than disorganized bodies, I met the executive of the league and discussed at length the question raised. We dealt with the problems of repatriation, including vocational training and the general rehabilitation of the soldier in civilian life. Eventually, in September, of last year, the question of a gratuity was mooted. About that time it was reported that Canada, Great Britain, New Zealand, and South Africa had made, or were making, arrangements to pay a gratuity. Speaking generally, no part of the Empire, in fact, no part of the world, has treated its soldiers better than has the Commonwealth. It is admitted on all sides that the Australian soldiers were the best clad, the best fed, the best paid of all the Allied Armies, and that our hospital and medical arrangements lost nothing by comparison with those of other countries. But if other countries were paying a gratuity, it appeared clear to the Government that Australia must also do so. But our financial circumstances

being already straitened, and when the question of a gratuity was mentioned, I pointed out that, although I was very desirous of meeting the wishes of the soldiers, if we were to give a gratuity on the lines indicated, and which would not be less generous than the gratuity given by New Zealand, the financial position of the Commonwealth would be untenable. The matter then stood over for a little while until I was able to obtain from Canada, New Zealand, and South Africa some figures, setting out the particulars of their schemes. Subsequently these were discussed with the representatives of the league, and it was generally admitted by them that, in the circumstances in which Australia found itself, it would be impossible to pay a cash gratuity. I am very glad to be able to testify that these men, who were the representatives of the greater portion of the returned men who had done so much for Australia and for liberty, were most anxious not to embarrass the country for which they had fought. They were unanimously of the opinion that the financial position of the Commonwealth was such that it could not pay a cash gratuity. This is an eloquent tribute to the common sense and patriotism of our glorious soldiers, showing clearly that their patriotism was not an ephemeral thing, expending itself on the field of battle, but an enduring passion which manifested itself no less in the ordinary duties of citizenship in times of peace than on the field of battle in time of war.

The position being accepted that the Commonwealth could not pay a cash gratuity, the Government proceeded to consider what was possible in the circumstances in which Australia found itself. I need not remind honorable members what that position is. It is one to give us considerable concern, although it is no cause for alarm. We all have, I hope, unbounded confidence in the future of our country. The consequences of war and the grievous burdens war has imposed upon us cannot ruin it if we are true to ourselves: if Australia fails to hold its own it can only be through apathy and lack of courage and common sense on the part of its citizens. The real danger to Australia is not so much from the enemy without the gates, nor, indeed, from the enemy within, so far as danger can come from any section

of the community, but from the failure of the whole body politic to meet the situation with courage and wisdom. If Australia fails to assert herself, and reap the full fruits of victory, it will be the fault of all her citizens.

After mature consideration, a scheme was put before the soldiers' executive, approved by them and subsequently made public by me, in the following terms, as published in the *Brisbane Courier* of 4th November last:—

Payment to be at the flat rate of 1s. 6d. a day from the date of embarkation to the official signing of Peace at Versailles, on 21st June, 1919. Payment at this rate to all members of fighting forces, naval and military, of the Australian Imperial Force (and to Imperial Reservists), or the dependants of deceased soldiers and sailors who left Australia, doctors and nurses included. Payment at the rate of 1s. a day from the date of enlistment to discharge for all members of the Australian Imperial Force who did not leave Australia; payment to be in the form of non-negotiable bonds bearing interest at $5\frac{1}{2}$ per cent. Bonds to be received as cash equivalent for all purposes under the Repatriation Department, including land settlement, war service homes, businesses, purchases of furniture, &c. Bonds to be cashed by the Treasury in cases of hardship, of special urgency, on the marriage of a soldier, or on the re-marriage of a soldier's widow. Bonds not covered under the above heads to be redeemed as follows:—The Treasury to take up at least £500,000 per annum in May, 1921, the whole of Australia's share of indemnity payable by Germany to the Allies, which may be estimated at anything between £7,000,000 and £15,000,000, to be earmarked for the redemption of gratuity bonds. If the indemnity actually received on or before May, 1921, does not reach £10,000,000, the Government to make good the deficiency up to £10,000,000. The Government is to redeem the balance of the outstanding bonds after May, 1921, in not more than three equal annual instalments. The Government undertakes that if, after May, 1921, the financial and general outlook in the local or foreign market warrants raising the outstanding balance, or any part thereof, by loan, it will do so.

That was the statement made on 3rd November last, and the Returned Sailors and Soldiers' League, after discussion, supported and accepted the proposal. As the result of subsequent discussions the matter was advanced a further stage, particulars of which were published in the press. I quote from the *Sydney Daily Telegraph* of 22nd November:—

The Prime Minister announced last night that arrangements have been completed with the banks to find the sum of £6,000,000 for the

payment of the war gratuity in cash to the following classes:—

- (1) Soldiers' widows;
- (2) Widowed mothers of unmarried deceased soldiers.
- (3) Other matters of deceased soldiers who were dependent upon deceased soldiers.
- (4) Totally incapacitated and blind soldiers.
- (5) Soldiers who have married since discharge, or are about to marry.
- (6) Necessitous cases not included in the foregoing.

Later still, arrangements were made with a large number of employers throughout Australia to cash the bonds of their employees. As the result of further negotiations, the Commonwealth and the States of New South Wales, Queensland, and Victoria agreed to cash the bonds of their employees. That was, in broad outline, the scheme approved by the soldiers' executive, announced by me before the elections, and later submitted to the electors as the settled policy of the Government. We pledged ourselves that the War Gratuity Bill should be the first measure to be introduced this session. The Bill I submit to the House embodies the scheme approved by the soldiers and the electors. The Bill itself and its introduction as the first measure submitted to Parliament this session fulfils the promise made by the Government to the soldiers and to the electors generally.

I propose now to say a word or two by way of general explanation of the measure. First, it is incomparably the most liberal gratuity scheme adopted by any part of the Empire, and it is also the most democratic scheme. It makes no distinction of rank, but treats all alike, as is, I think, proper in a democratic country like Australia, with its democratic army. Much of the success of the Australian army lay in the fact that its organization was essentially democratic. Every man did literally carry in his knapsack a marshal's baton. The overwhelming majority of the battalion officers of the A.I.F. were men who had risen from the ranks. The scheme in this Bill rests upon this basis, and the scheme is not only democratic but equitable and liberal. We propose to pay the gratuity at the same rate to all men from the date of embarkation to the 28th June, 1919, the

date of the signature of the Peace Treaty at Versailles. In New Zealand the soldiers are paid from the date of embarkation to the date of death, or discharge, or disembarkation, whichever came first. I feel assured that honorable members will admit that ours is much the fairer and better scheme. Let me give some illustrations to show how our scheme will apply in comparison with others. Take the case of a man enlisted in August, 1914, and hit at the Gallipoli landing, or within three months of the landing, and returned to Australia unfit for further service. Under the New Zealand scheme he would be paid to the date of his discharge. Under our scheme he will be paid to the 28th June, 1919. And very properly so, because, after all, what more could a man do than he did. He placed himself in the very forefront of the ranks of death; stricken and severely wounded he returned to Australia. He had done all that was possible for man to do. In return he is entitled to all that his country can do for him. Another man, more fortunate, continued at the Front till the end without being killed or disabled. He, too, deserves all that we can give him, but his sacrifice was no greater than that of the man struck down on the first day. The dependants of the man who was killed at the landing will be paid to the 28th June. The soldier had made the supreme sacrifice, and his dependants are entitled to as much consideration as is the man who fought until the date of the Armistice. As I have said, the rate of gratuity under this Bill is 1s. 6d. a day from date of embarkation to 28th June, 1919, and 1s. a day for those enlisted before the 11th November, 1918, from the day they reported for duty in camp to their discharge, or for a period of six months, whichever is the shorter period. The next of kin of a soldier who left Australia in November, 1914, and was killed in April, 1915, at the landing would receive—in Britain £5, in Canada about £22, in New Zealand, £11 5s. 0d., and in Australia £120. A man who left these shores in November, 1914, was wounded at Gallipoli, returned to Australia, and was discharged in November, 1916, would receive—in Britain £11, in Canada, five months' pay, equal to about £40, in New Zealand approximately £50, and in Australia £120. The

Mr. Hughes.

rate of payment in Canada is six months' pay and allowances for three years' service, five months' pay for two years' service, four months' pay for one year's service, and three months' pay for any service less than one year. In New Zealand the rate is 1s. 6d. per day for service abroad only. For home service Canada allows three months' pay for three years' service, two months' pay for two years' service, and one month's pay for one year's service or less. In New Zealand there is no gratuity for home service. In Canada the gratuity is paid in monthly instalment; in New Zealand it is paid principally through the banks. Under the Bill, as I have said, it will be paid in non-negotiable bonds bearing interest at $5\frac{1}{4}$ per cent. per annum, the bonds being immediately negotiable in certain cases, to which I have already referred. The Australian gratuity covers a greater period, and is on a fairer basis than is that of any other Dominion. A comparison might be made between it and the British gratuity, which makes a distinction between the different ranks, paying the officers, of course, a higher rate than the privates.

I turn now to some other phases of this matter before dealing with the machinery of the measure itself. My honorable friend opposite has indicated that he proposes to ask the House to agree to the payment of a cash gratuity. It is only fair that I should anticipate his proposal, and I think I can best do so by recalling to honorable members the circumstances relating to the origin of the gratuity policy of the Government and the attitude of the Opposition towards it during the recent elections. It is necessary first to remind the House that the Leader of the Opposition had not said one word about the payment of a gratuity until the Government had decided to adopt such a policy. Then my friends of the Opposition said this was an attempt to bribe the soldier. Next, finding that this charge fell rather flat, they retired upon their reserves—which are of a character very well suited to their purpose—and they presented a proposal which certainly left nothing to be desired, although a great deal to be realized. They proposed that soldiers should be given a gratuity in cash. It was, so they said, to be a very much better scheme than that proposed by us. It was not to be on a higher rate.

That is to say, they did not propose to increase the 1s. 6d. a day proposed by the Government, but they would pay cash on the nail! The Government's proposal, they said, was proposed only for the purpose of catching votes; so different, so very different from theirs. My scheme, they held, was never intended to be brought forward in this House to receive the imprimatur of the Legislature! Theirs, of course, was to be of quite a different order. Every soldier was to receive—in golden sovereigns, I suppose—an amount which was hinted at rather than set out in plain words; and everybody would be well satisfied.

Senator McDougall, who realized, I am afraid, as the election campaign proceeded, that circumstances conspired more and more against him, found himself, on or about the 3rd or 4th December, in such a desperate case that he delivered himself to the following effect: He said that "if Mr. Hughes was returned to power the soldiers would never receive a gratuity, but that if Labour were elected the gratuity would be paid before Christmas." In view of this statement, I confidently expect that there will not now be one moment's delay, or the slightest attempt at delay, on the part of honorable members opposite, seeing that if they had been returned to govern, Parliament would have been abruptly called together—no doubt, before the holidays, and even before the writs had been returned—in order that the gratuity in cash should be at once paid. Discussion in this chamber would have been stifled, and a Bill covering the disbursement of £30,000,000—indeed a very great deal more—would have been rushed through, and the soldiers would have got their money before Christmas. This was the golden vision conjured up by the imagination of the honorable members opposite. Senator McDougall proceeds to say, "The Labour party would ask the 'Mining King'."—Does any honorable gentleman present answer to that title? Oh, no; I see that the honorable senator alludes to Mr. John Brown. Well, I think that is a fair thing. I think he ought to be asked to come forward with the money! However, I will pass on and continue to quote Senator McDougall. He went on to say that the Labour party would ask the "Mining King," and Sir Samuel Hordern, and the

wealthy shipping companies and banks to give them the money. "Ask, and ye shall receive"! "If they refused," concluded the honorable senator, in menacing tones, "they would take it from them." It is a very heartrending circumstance to recall that after this pathetic attempt to do the right thing by the soldier—not forgetting the "Mining King"—the soldiers and electors of New South Wales generally rejected both Senator McDougall and his scheme.

I pass now from the honorable senator to make further reference to Official Labour's intention. Here is an extract from a publication entitled *The Hobart World*. The article in question is headed, "Gratuities in Cash," "Peep at Labour's Platform," "Some of the Good Things Enunciated." The idea evidently was that the soldier entranced by the glorious prospects which our friends opposite conjured up before his eyes would murmur, "For what we are about to receive, may the Lord make us Truly Thankful"! and straightway vote for the party that promised so much. That doubtless was the idea. Unfortunately things did not happen precisely in that way. This is what *The Hobart World* says—

"A communication forwarded to the Returned Soldiers' and Sailors' Imperial League by Mr. Carey, secretary of the New South Wales branch of the Australian Labour party, states that Labour's policy for soldiers, sailors, the nurses, and war workers includes the following:—

The gratuity to returned soldiers and widows to be paid in cash.

Housing to be free for life of totally disabled soldiers, widows, dependents, and children of deceased soldiers.

The registration and fulfilment of all inducements and promises to soldiers, either prior or subsequent to enlistment, including the making up of the difference between military and civil pay, the payment of insurance premiums, insurances against death, the keeping open of employment where such promises were made, and any other promise to soldiers to obtain enlistments.

The establishment in civil life of all returned soldiers where financial assistance is essential to provide the amount necessary to enable the family to be supported without payment of interest or the repayment of capital.

Permission has also been asked of the League to allow representatives of the Labour party to address members on the above programme. No reply has yet been received."

No reply has yet been received!

Mr. Hughes.

I say that that is a tribute to the Returned Soldiers' League's common sense. They simply ignored this dazzling, but unsubstantial vision, and went calmly on their way supporting the Government proposal. I may now safely leave this matter. Every honorable member recalls the general elections and the circumstances which surrounded them. Every effort was made to stam pede the soldiers, to get them to forget that they had been fighting for their country, that they had saved it, and that it was their business to cherish that which they had fought and bled for, and saved. But all these efforts failed. The overwhelming bulk of the soldiers of Australia voted for the party which I have the honour to lead, and it is very sad to think that the honorable gentlemen opposite have not one returned soldier in their ranks.

Mr. TUDOR.—Our returned soldiers were beaten by some of the men on your side who did not go to the war.

Mr. HUGHES.—I do not know about soldiers who did not go to the war. There were in the last Parliament a couple of gentlemen who sat behind the honorable gentleman who wore the uniform of soldiers; but, though I am not a soldier, I say deliberately I was a good deal nearer the Front, very many times, than ever they were.

Mr. TUDOR.—That is not true about Mr. Corboy.

Mr. SPEAKER.—Order!

Several honorable members interjecting,

Mr. SPEAKER (Hon. W. Elliot Johnson).—If honorable members will not obey the call of the Chair, I shall name the next honorable member who offends. The honorable member for Maribyrnong must not persist in interrupting as he is doing while I am calling the House to order. He is insulting, also.

Mr. FENTON.—That is right; put me out! And on a measure like the Gratuity Bill!

Mr. SPEAKER.—I name the honorable member for Maribyrnong (Mr. Fenton) for interrupting and defying the Chair, and I call on the Prime Minister (Mr. Hughes) to take the necessary action.

Mr. FENTON (to Mr. Hughes).—You have started your dirty work; keep it up! You think you are on the hustings again!

Mr. HUGHES.—The honorable member was up rather late last night.

Mr. FENTON.—I was up early trying to do my duty to the country, and you would not allow me to do so.

Mr. HUGHES.—The honorable member, like myself, is suffering from the consequences of a misspent life.

Mr. TUDOR.—That surely is not true about the honorable member for Maribyrnong!

Mr. HUGHES.—I speak now as the honorable member's medical adviser, and suggest that if he had had more sleep he would not have said what he has said. I hope the honorable member will not persist in his attitude. If anything I had said caused the honorable member to say what he did, I withdraw it, and I hope the honorable member will follow my example. He cannot defy the Chair, and there is really no reason for his present action.

Mr. FENTON.—Go on with the Bill!

Mr. SPEAKER.—I ask the honorable member for Maribyrnong (Mr. Fenton) to withdraw.

Mr. FENTON.—Withdraw what?

Mr. SPEAKER.—The honorable member, in the first place, disregarded the authority of the Chair, and in the second place he insulted the Chair by calling out that the Speaker was biased.

Mr. FENTON.—You ask too much!

Mr. SPEAKER.—It is the duty of the House to protect the Chair from insults, and if the honorable member will not withdraw I must insist on the Standing Orders being carried out. It is impossible for me to continue to preside over the deliberations of the House unless honorable members uphold me as Speaker in the discharge of my often difficult duties. If the Chair is not upheld it will be impossible to preserve order, and only chaos can result. I ask the honorable member to observe the Standing Orders.

Mr. FENTON.—All right, I withdraw.

Mr. HUGHES.—A man can scarcely be said to be a man of war whose services, during the war, consisted chiefly in passing from one arm of the Forces to another. I think that can be said of one honorable member then on

the opposite side of the House, who, I think, had experience of every arm of the Service. As to the other member, I should not like to say much about him. The less honorable members' opposite say on this subject the better, because the fact remains that the soldiers of Australia, and the people of Australia, thought so little of that party that not one man who wears the returned soldier's badge has been returned as a member of the Labour party. But there was one man, Mr. Wallace, the ex-member for West Sydney, who, by enlisting, showed his willingness to go to the war. He was, however, replaced by a man who had not been at the war, so that even that half-hatched chicken was strangled in its birth. I remind honorable members of these rather unpleasant things because we ought not to forget that honorable members opposite declared that the pledges given by this Government would never be kept. I invite the people of the country to note that those pledges are being kept, not only in the letter but in the spirit—that this Bill is the literal fulfilment of everything I promised. I invite honorable members opposite to note that it was upon the scheme now set out in this Bill that the Nationalist party was elected by a great majority of the people. This is the first measure introduced to give effect to the policy of the Government, and the House is invited to pass it as rapidly as its importance warrants. The people deliberately rejected the party which stood for a cash gratuity. The soldiers rejected that party, because they, or the great majority of them, knew that the country could not pay a cash gratuity without gravely imperiling its financial and industrial position.

Sitting suspended from 12.58 p.m. to 2.15 p.m.

Mr. HUGHES.—Having set out the circumstances under which the policy of the measure was conceived, formulated, and finally adopted by the Government, and made clear its basic principles, I shall now explain its provisions as fully as is possible at this stage. First as to those entitled to the gratuity: they may be divided roughly into two classes—(a) those entitled to payment at the rate of 1s. 6d. per diem;

and (b) those entitled to payment at the rate of 1s. per diem. Broadly speaking, all members of our Naval and Military Forces, including doctors and nurses, who left Australia before the 11th November, 1918, are to receive a gratuity at the rate of 1s. 6d. per diem, which will be paid to members of the Military Forces for the period between the date of their embarkation and the 28th June, 1919; and to members of the Naval Forces for the period between the day of their leaving port in Australia to the 28th June, 1919. All persons who enlisted before the 11th November, 1918, are entitled to a gratuity at the rate of 1s. per diem from the day on which they were called up to go into camp to the day of their discharge, or for a period of six months, whichever may be the shorter.

Clause 2 defines membership of the Australian Naval and Imperial Forces, Imperial Reservists, and the dependants of these. Clause 3 divides those to whom the gratuity is payable into the two classes to which I have referred. Imperial Reservists who left Australia are placed on exactly the same footing as members of the Australian Naval and Military Forces. In sub-clause 2, of clause 5, it is enacted that deductions may be made in certain cases from the period for which a gratuity is payable. Broadly, a member of the Naval and Imperial Forces is entitled to payment of the gratuity for every day for which he was entitled to draw the full pay of his rank. Those whose pay was forfeited for any offence for any period or periods, not exceeding twenty-eight days on any one occasion, are, notwithstanding such forfeiture, entitled to the gratuity without any deduction; that is, men who were punished for minor offences by the forfeiture of pay for periods not exceeding twenty-eight days, will not, therefore, suffer any deduction of their gratuity; but, under sub-clause 3, and subsequent sub-clauses, it is enacted that persons whose pay was forfeited for periods exceeding twenty-eight days, shall be paid the gratuity only for the period for which their pay was not so forfeited. Notwithstanding this provision, the "prescribed authority"—to which I shall refer later—may, in such cases, award payment of the gratuity for the full period, in recognition of meri-

torious service. As to men who died on service, the gratuity will be paid to their dependants for the whole period of their service, from the date of embarkation to the 28th June, 1919, without regard to any of the disqualifications which apply to those who have survived. From the gratuity paid to Imperial reservists will be deducted the amount of gratuity paid by the British authorities, so that they shall not receive a greater payment than is made to members of the Australian Imperial Force.

Clause 6 sets out the conditions which prohibit the payment of the gratuity to certain persons, including those who have been absent without leave, and have not, prior to the commencement of the Act, surrendered, or been apprehended; those who are proved to the satisfaction of the prescribed authority to have suffered from wounds intentionally self-inflicted; those who are serving, or have served, a sentence of penal servitude, imprisonment, or detention, at the expiration of which they have been, or are to be, discharged from the Forces with ignominy, or for misconduct, and those who, by reason of a sentence of penal servitude, imprisonment, or detention, imposed while on the voyage, or in a training camp or dépôt, were unable to join their units in the field. Several other classes of persons, who are excluded from the benefits of this measure, are described in other sub-paragraphs of the clause. These conditions have been agreed to by the Returned Soldiers' and Sailors' Imperial League, but, notwithstanding anything in the clause, the prescribed authority can, if it thinks the case warrants it, award the gratuity for the whole period, or any part thereof. Under these circumstances honorable members will admit that the soldier is treated fairly. The proviso at the end of clause 6 is most important. It reads as follows:—

Provided that where the prescribed authority is satisfied that a person absent without leave, who has not, prior to the commencement of this Act, surrendered or been apprehended, has neglected or failed to provide adequately for his dependants, payment may be made to some or all of those dependants of such sum (not exceeding in amount the sum which might but for this section have been paid to, or in respect of the service of, that person) as the prescribed authority thinks fit.

This is a very wise and humane provision. The sins of the soldier are not to fall upon his unfortunate dependants. And, as I

have already said, notwithstanding anything in the clause, the prescribed authority may, if it thinks fit, award to the soldier himself, the whole or such part of the gratuity as it deems, in all the circumstances of the case, he deserves.

Clause 8 deals with a most important matter, to which the widest publicity must be given. The war gratuity is not a right, but is deemed to be a free gift by the Government "in recognition of honorable services during the war," and "may in any case be withheld or deferred or subjected to terms and conditions as the prescribed authority, having regard to the interests or deserts of the claimant, thinks just and proper." Where the prescribed authority is satisfied that any person who is eligible for the payment of the war gratuity has neglected or failed to provide adequately for his dependants, it may direct that payment of the whole or part of the gratuity be made to or for the benefit of some or all of those dependants. I think that honorable members will say this is a very just, and, in some cases, will prove a very necessary provision. It must be made perfectly clear that it is not open to the soldier to leave to the Commonwealth the care of his dependants while he squanders or misuses the gratuity. The soldier owes a duty to his dependants just as the country owes a duty to him, and we propose to safeguard the interests of dependants just as we propose to safeguard the soldier.

Clause 9 contains a provision relating to the gratuity of a deceased soldier, whether he has died before or after the passing of the Act, and stipulates that it shall not form part of the estate of the deceased, and shall not be claimable by the executor or administrator of the estate, but may be paid to such one or more of the following persons, and in such proportions as the regulations prescribe, or the prescribed authority approves, namely—

Any person who—

- (a) is beneficially entitled under the will of the deceased to any part of his estate; or
- (b) is or would be if the deceased had died in the first place have been entitled to a share in the distribution of his intestate estate; and who is either the widow or a child, parent, step parent, foster parent, or dependant of the deceased.

This provision applies if a soldier dies in debt or intestate. In the first case his

estate cannot be seized by the creditors to the extent of leaving the widow and dependants unprovided for. In the second case it is divided as prescribed in the clause. There is a proviso that, in special cases, the prescribed authority may approve of payment to persons other than those mentioned in the sub-clause to which I have just drawn attention. Clause 11 authorizes the issue of Treasury bills and empowers the Treasurer to borrow such moneys as are necessary for carrying out or giving effect to the Act. Under clause 12 the Consolidated Revenue Fund is to the necessary extent appropriated for the purposes of the Act. I come now to the medium in which the gratuity is to be paid. As I have said, the gratuity is to be paid in non-negotiable bonds redeemable within not more than three years of issue, except in special cases. The cases in which the Treasury will itself cash the bonds were decided upon after consultation with the executive of the league, and are set out in clause 13. I have already stated what these are, but in order to make the matter perfectly clear, I will read the provision in the Bill dealing with them again. It is provided in clause 13 that payment shall be made in cash if desired by the persons entitled to the gratuity in the case of—

- (a) the widow of a member of the Forces;
- (b) the widowed mother of an unmarried deceased member of the Forces;
- (c) the mother of a deceased member of the Forces, if she was, prior to his death, a dependant of his;
- (d) a member of the Forces, who is found by the prescribed authority to be blind or totally and permanently incapacitated;
- (e) a member of the Forces who has married since the date of his discharge; or
- (f) a person who is found by the prescribed authority to be in necessitous circumstances.

In addition to these cases in which the bonds will be cashed by the Treasury, the Repatriation Department will, as provided in clause 14, accept Treasury bonds at their face value, plus interest accrued to date in repayment of any moneys due by the person to whom they were issued for all purposes of repatriation, and the War Service Homes Act. As I stated many times during the elections, and prior thereto, soldiers can use these bonds for all repatriation purposes—the purchase

of land, furniture, houses, and so forth. All the other arrangements that have been made with banks, private employers, the States, and the Commonwealth, to cash the bonds of their employees are outside this measure. The Commonwealth, however, holds itself responsible, and guarantees that the bonds will be cashed as stated.

Under clause 15 it is provided that the gratuity bonds are not alienable or negotiable. They cannot pass from hand to hand "whether by way or in consequence of sale, assignment, charge, execution, insolvency, or otherwise howsoever." It is very necessary that I should explain and emphasize what this clause means, since its effects are very far-reaching. It has come to my knowledge, and I suppose to the knowledge of many other honorable members, that some unscrupulous persons in this community are advancing money to soldiers at exorbitant rates of interest on the security of their bonds. Many of these young men, who are unversed in the ways of the world, are permitting themselves to be exploited by harpies and Shylocks. I wish to say to every soldier in Australia, as well as to those who have lent money to soldiers, something which I hope they will take to heart. I want to say to the soldier that any arrangement he has made with any person is null and void. I advise him to keep his bonds, and to take no notice whatever of any arrangement he has made. The men who loaned them money were warned before that the bonds were not negotiable. I venture to say that not in any one case out of a hundred is the amount lent comparable to the face value of the bond.

Mr. TUDOR.—In some cases the amount lent has not been equal to 50 per cent. of the face value of the bond.

Mr. HUGHES.—No doubt. So much for my advice to the soldiers. As to the people who have loaned money to them in this way, some have acted in perfectly good faith. I would be the last to say that every man who has advanced money to a soldier has done so with the intention of defrauding or seeking to take advantage of him. Some of them have advanced the full face value of the bonds. Such cases, however, are few and far between. I say to the persons who are seeking to take advantage of our soldiers and to all who may be inclined to follow

a like course, that the powers of the Commonwealth, whatever they may be—and in this case the powers of the Parliament are plenary—will be exhausted in order to protect the soldier and to punish them. Every means at our disposal will be used to prevent men from preying upon the soldiers and exploiting them.

I hope that warning will be taken to heart. I am told that hotelkeepers, money-lenders, and others have been making, and are preparing to a still greater extent to make, money out of the soldier. This country is not in a position to waste £28,000,000 for the benefit of Shylocks and men of that kind in the community.

Mr. BLUNDELL.—Could a power of attorney given by a soldier to a publican be interfered with in any shape or form?

Mr. HUGHES.—A power of attorney in such case would not be worth the paper it was written on. It would be illegal, and I am not sure that both parties to such a transaction could not be prosecuted. Honorable members may depend upon it that it will not be my fault if the soldier is exploited. The blame will rest entirely with himself. If he likes to seek the protection of this Government, he will get it. Every lawyer knows that a contract can only be made between equals. Some of these soldiers are mere boys, inexperienced in the ways of the world: We are their guardians. We are also the guardians of the taxpayers' money, and we do not propose to allow the taxpayers' money to line the pockets of harpies and sharpers. Those are very hard words, but I could use harder if I chose. Clause 17 provides that any person who obtains a war gratuity by false pretences, or by making a false statement, shall be guilty of an offence, and liable to a penalty of £100, or imprisonment for one year. Clause 18 empowers the Governor-General to make regulations not inconsistent with the Act, to give effect to its intentions.

I want now to say a word or two in reference to the "prescribed authority." Most honorable members who have had experience of "prescribed authorities," and who probably regard the majority of them, as I do, as bowelless, unsympathetic bureaucrats, who have regard to the letter rather than the spirit of the law,

will, perhaps, look askance at the "prescribed authority" referred to in the Bill. They need have no fear. This authority was agreed upon between myself, acting for the Commonwealth Government, and the executive of the Soldiers' League. A representative of the Returned Soldiers' League will have a seat upon it. The other two members will be men who are in sympathy with the spirit as well as the letter of the Bill.

Mr. TUDOR.—Will those other two men be appointed by the Government?

Mr. HUGHES.—All three are to be appointed by the Government.

Mr. TUDOR.—Will they be members of Parliament, or outsiders?

Mr. HUGHES.—I do not know exactly what the honorable member means by outsiders. We are, I hope, not exactly in the same position as the remnants of a Scottish conventicle who were reduced to two, one having grave doubts about the orthodoxy of the other. I certainly would not say that there is so much excellence in this House that it utterly exhausts the possibilities of the whole community. We shall look about with an unbiased eye to get two good men, and I have no doubt we shall find them. I think the Leader of the Opposition (Mr. Tudor), who was a colleague of mine for many years, at least knows this of me, that I cannot be accused of thinking too highly of officials. Whilst it has been my pleasant experience to meet many exceptions to the rule, still no one can say that officials are likely to dictate the course or policy I shall pursue. The Government will choose the men who, in its opinion, are likely to meet the wishes of this House and the soldiers—men who are in sympathy with them and who can be intrusted with this most onerous and invidious task.

The Bill embodies in the letter and in the spirit those pledges made to the electors, and upon which the majority of members of this Parliament were elected. It gives effect to the pledges we made in the way we made them. Incidentally, the introduction of this measure at this time puts to confusion the honorable member for Maranoa (Mr. Page), who last night, in this House, offered to bet large sums of money—in fact, anything, which, I suppose, means nothing—that the Go-

vernment had not the Gratuity Bill ready. It puts to confusion also, although that will not abash them, those gentlemen who said that the Government's pledges in regard to the gratuity were worthless, and that we did not intend to proceed with the measure. We have introduced this measure as promised, and the blame for not having it introduced sooner does not rest upon our shoulders. We invite honorable members to press on with the measure, for the soldiers are very anxious to receive this gratuity. Whatever else honorable members may doubt, they need not doubt that, and if the debates are unduly prolonged we may yet live to see a scene not dissimilar from the *coup d'état* of the first Napoleon, when a file of grenadiers marched into the legislative chamber and preserved order in a fashion which at any rate had the effect of expediting business. We, I think, are all desirous of doing justice to these men and showing in some substantial way that we honour them. We are dealing with great sums of money, but we have to remember that the people were thoroughly informed of what this gratuity would cost, and they had before them two proposals; one, the scheme which I have had the honour to outline to-day, and another which, at the best, would have cost a good deal more. This House may therefore be said to represent public opinion, which is strongly in favour of paying a war gratuity on the lines laid down in this Bill. It is impossible to entertain any proposal to increase the rate or the amount of the gratuity. The proposal has not been hurriedly put forward, but is the result of mature consideration and very long and detailed deliberation. The men themselves are heartily in favour of it, and the Soldiers' League, on the 7th November last, officially issued a public statement under the name of Captain Dyett, its president, approving of this scheme, approving of the payment by bonds, and declining to entertain the question of a cash gratuity. This gratuity will tax the resources of the Commonwealth to the uttermost; and, in saying that, I am thinking, not only of commitments for this purpose, but for others also which will have to be made in accordance with the policy of the Government. We cannot indulge in any wild-cat schemes. We have to consider

our financial circumstances. The measure is, as I have said, the most generous in the world. The interests of the soldiers and the community are alike protected. Cash is to be paid in all circumstances where it is actually needed, and interest at the rate of 5½ per cent. is to be paid upon bonds where cash is not required. The gratuity is to be free of income tax. The bonds are to be negotiable in all cases of emergency, and redeemable in all circumstances of necessity. The scheme has been approved by the soldiers' executive, by the banks, the business community, and by the electors in a clear and unmistakable majority. I am sure that this measure will meet with the approval of the majority in this House, and I invite honorable members to direct themselves to close consideration of its details. We are anxious to do justice by our men, and I shall listen with interest to any suggestions which may be made; but, again I emphasize the fact that the scale of payments, the period over which they are to be made, and the manner of payment—namely, in bonds—are matters which cannot, from their very nature and owing to our financial circumstances, be varied.

Debate (on motion by Mr. TUDOR) adjourned.

SESSIONAL ORDERS.

The following Sessional Orders were agreed to (on motion by Mr. HUGHES):—

PRECEDENCE OF GOVERNMENT BUSINESS.

That on Wednesday and Friday in each week, unless otherwise ordered, Government business shall take precedence of all other business; and that on each Thursday until half-past 6 o'clock, unless otherwise ordered, general business shall take precedence of Government business.

GENERAL BUSINESS.

That on Thursday in each week, unless otherwise ordered, general business shall be called on in the following order, viz.:—

- On one Thursday—
 - Notices of motion.
 - Orders of the Day.
- On the alternate Thursday—
 - Orders of the Day.
 - Notices of motion.

STANDING ORDERS COMMITTEE.

Motion (by Mr. HUGHES) agreed to—

That Mr. Speaker, the Prime Minister, the Chairman of Committees, Mr. Atkinson, Mr. Charlton, Mr. Fowler, and Mr. Tudor be members of the Standing Orders Committee; three to form a quorum.

LIBRARY COMMITTEE.

Motion (by Mr. HUGHES) proposed—

That Mr. Speaker, Mr. Anstey, Mr. Fleming, Mr. Fowler, Mr. Higgs, Mr. Lamond, Mr. Mackay, Mr. Maxwell, and Mr. McDonald be members of the Library Committee; three to form a quorum.

Mr. TUDOR (Yarra) [3.0].—I think the *personnel* of the proposed Committee requires some amendment. I do not suggest this in a spirit hostile to the honorable member for Capricornia (Mr. Higgs), but I point out that when I agreed to the *personnel* of the Library Committee honorable members on this side were nearly proportionately representative in their numbers. If the Committee now proposed is appointed; the Opposition will not be proportionately represented. The representation of this House will be largely in the hands of honorable members on the other side.

Mr. GREGORY.—It is only the Library Committee.

Mr. TUDOR.—That does not affect the point. I am going to “stick up” for members upon my side of the House, since I have the right to do so.

Mr. HUGHES.—Will the honorable member add another name? I understand that there will be no difficulty in so enlarging the Committee.

Mr. TUDOR.—I shall do so at a later stage.

Question resolved in the affirmative.

HOUSE COMMITTEE.

Motion (by Mr. HUGHES) agreed to—

That Mr. Speaker, Mr. R. W. Foster, Mr. Gregory, Mr. Livingston, Mr. Mathews, Mr. James Page, Mr. Rodgers, and Mr. Watkins be members of the House Committee; three to form a quorum.

PRINTING COMMITTEE

Motion (by Mr. HUGHES) agreed to—

That Mr. Bamford, Mr. Bowden, Mr. Corser, Mr. Fenton, Mr. McWilliams, Mr. Riley, and Mr. West be members of the Printing Committee; three to form a quorum, with power to confer with a similar Committee of the Senate.

PAPER.

The following paper was presented:—
Audit Act—Regulations amended—Statutory Rules 1920, No. 8.

INDEMNITY BILL.

Motion (by Mr. HUGHES) agreed to—

That leave be given to bring in a Bill for an Act to provide for an indemnity in relation to acts committed during the war and for other purposes.

Bill presented (by Mr. GREENE, for Mr. HUGHES) and read a first time.

AUDIT BILL.

Motion (by Sir JOSEPH COOK) agreed to—

That leave be given to bring in a Bill for an Act to amend the Audit Act 1901-1917.

Bill presented, and read a first time.

CUSTOMS BILL.

Motion (by Mr. GREENE) agreed to—

That leave be given to bring in a Bill for an Act to amend the Customs Act 1901-1916.

BUDGET (1919-20).

In Committee of Supply (for Budget 1919-20, see 8th October, 1919, volume XC., page 13060):

Motion (by Mr. HUGHES) proposed—

That the first item in the Estimates under Division I.—The Parliament—namely, "The President, £1,100," be agreed to.

Mr. MATHEWS (Melbourne Ports) [3.6].—I am sorry to re-introduce the question at this stage, but I should like to say a few words on the question of the sugar supply. Some business people are supplied with a fair amount of sugar while others get half their ordinary quantity; but there are others who can obtain none at all. The people I have in my mind are large manufacturers, and naturally are political opponents of mine, whom I have been fighting all my life; but I think it only right that they should be secured fair treatment. There is one firm which manufactures coffee essence and other grocers' commodities, and which, up to eight months ago, dealt with an agent who secured his supplies directly from the Colonial Sugar Refining Company. During the trouble seven or eight months ago, however, this firm was put in direct touch with the company, from which it obtained the necessary supplies; but at the present time they are informed that none can be forwarded. The consequence is that tomorrow their factory must be closed, and their employees thrown out of employment.

Mr. HUGHES.—Will the honorable member give me the name of the firm and full particulars?

Mr. MATHEWS.—Yes.

Mr. RICHARD FOSTER.—Theirs is not an exceptional case.

Mr. MATHEWS.—That I admit; but we might as well have the case ventilated. This firm has orders ahead, some from New Zealand, and it will be necessary to telegraph informing their customers that the orders cannot be completed. While there may be a shortage of sugar, I think this firm ought to be supplied if other firms are being supplied.

Mr. BRENNAN.—There should not be a suspicion that everybody desires sugar for hoarding purposes.

Mr. MATHEWS.—We know that every member of the community desires to make money, and, if that be possible owing to a rise in the price of sugar, they will do so. That is true of the Colonial Sugar Refining Company, wholesalers, retailers, and householders alike.

Mr. GREENE.—The Colonial Sugar Refining Company cannot hoard; they do not own any sugar.

Mr. MATHEWS.—But the Colonial Sugar Refining Company has the distribution of the sugar, and my point is that some manufacturers ought not to be supplied while others are refused. The honorable member for Wakefield (Mr. Richard Foster) has said that the case I cite is not an isolated one, and that is true. Only just now a gentleman from Wangaratta called me from the chamber, in the absence of the honorable member for Hume (Mr. Parker Moloney), and informed me that a cheque for sugar had been returned as supplies were short and none could be forwarded. That gentleman assured me that there is not 20 lbs. of sugar in Wangaratta. My idea was that the rise in price would not take place until the new crop came in, or arrangements had been made for the purchase of sugar; and I should like to know from the Prime Minister when we may expect it.

Mr. HUGHES.—I shall try to answer the honorable member when he sits down.

Mr. MATHEWS.—If the rise is going to take place immediately, I can understand supplies of sugar being kept back, but if supplies are kept back from some, they ought to be kept back from all.

Mr. RICHARD FOSTER.—Had the man to whom you refer received his usual supplies for the month?

Mr. MATHEWS.—He had not; he only expected half, but could not get any. I shall supply the names and particulars to the Prime Minister, because I think something should be done.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [3.13].—Although I should prefer to deal with this matter after having had an opportunity to detach my thoughts a little more from other matters, still I appreciate the position, and I shall endeavour, as far as possible, to deal with it. I entirely agree with the honorable member that all men must be treated alike. If, for the purpose of safeguarding the interests of the Commonwealth, and in order to prevent people scrambling for sugar against a rise, it is necessary to cut off supplies for a day or two days, or whatever the term may be, all must receive the same treatment. The honorable member for Melbourne Ports (Mr. Mathews) has promised to give me the name and particulars regarding the firm to which he has alluded, and I give him the assurance that I will see that the firm is treated in the same way as are other firms. If the firm has not received equal treatment, whatever they have suffered will be made up to them. For the information of the Committee, and, through them, of the public generally, let me touch briefly on some points of the sugar question. Honorable members understand well that a consequence, not of the agreement that was ratified last night, but of the high price of sugar outside Australia, is that the price of sugar inside Australia must increase. I ask the press to approach this great subject in something better than a petty parochial spirit, and to cease from belabouring a Government and a Parliament that are endeavouring to do their best in a matter that is beset with difficulties, and, if it must indulge in criticism, to let that criticism be constructive. To say that a consequence of what the House agreed to last night is an immediate increase in the price of sugar in Australia is to grossly misrepresent the facts. Had not the House sanctioned the sugar agreement, the price of sugar would have increased immediately and to a much greater extent than it will now increase. What the House did last night, was to

agree to the purchase of from 150,000 to 180,000 tons of sugar at £30 6s. 8d. a ton. Had we not done that, we should have had to purchase sugar at the world's price, which, at the very best, is something like £60 a ton.

Mr. GREENE.—That is for forward delivery.

Mr. HUGHES.—Yes. What the House did last night was to safeguard the interests of the consumer, and to prevent him from paying from 1d. to 3d. per lb. more for sugar than he now will have to pay. But one of the consequences of the increase in the price of sugar, and the disturbed state of the sugar market, is that manufacturers and consumers of sugar have rushed to get as much sugar as they could at the lower rate. That is only human nature. And in many cases the community will be at a disadvantage unless the Government take certain action, and has the support of the manufacturers. By way of illustration, I might remind honorable members that last night the honorable member for Franklin (Mr. McWilliams) mentioned the well-known fact that in a 2-lb. tin of jam there is as much sugar as fruit. Consequently, when the price of sugar is increased the value of jam is increased, at any rate, in the estimation of the seller, and this remark applies also to confectionery, condensed milk, and, in a lesser degree, to sweet biscuits. But the Government will, so far as lies in its power, prevent the public from being exploited by manufacturers who have used sugar costing only £27 7s. 6d. a ton selling their commodities at prices which would cover the use of sugar at a much higher rate. This is a difficult matter to deal with, because while one manufacturer may have a stock of 1,000 gross tins of some commodity, another may have a stock of only 100 dozen. And without the co-operation of the manufacturers and the merchants we cannot hope to succeed entirely. We intend to insist, however, that the price of commodities of which sugar forms a large part shall not be increased so long as the sugar used in their manufacture has been purchased at the old price. I do not think that any honorable merchant or manufacturer can take exception to that. I am able to say that some of the biggest jam manufacturers in the country are prepared to loyally co-operate with the Government in this matter, and I appeal to manufacturers generally to do so, at

the same time inviting the public to look after their own interests by insisting on getting jam and other commodities made largely of sugar at the prices which were being charged yesterday, until sufficient time has elapsed to make it reasonably probable that the sugar contained in them has been purchased at the higher price. Unfortunately, there are in the community men who are, to speak politely, only reasonably honest. Amongst them are those who have been hoarding sugar and have not hesitated to make deliberately false returns to our officials. Naturally, this falsifying of returns has not been detected in every case, but the Customs Department has ascertained that some men have been guilty of the mean and contemptible act of robbing the Commonwealth and seeking to exploit their fellow citizens. The investigations of the Department are still continuing, but I think it well that the public should be taken into our confidence, and told exactly what the present position of affairs is. A very large firm of jam-makers in South Melbourne is among those who fall into the category of persons who are only reasonably honest. A search made at this company's premises revealed a stack of about three hundred 140-lb. bags of sugar concealed behind a stack of empty cases. The manager of the factory was examined before the Chief Prices Commissioner, who came to the conclusion that this sugar was deliberately concealed. The company's return to the census disclosed 15 tons of sugar in stock on 31st January. The quantity on the premises at the time of the search on the 8th March was 32 tons. The concealed sugar had every appearance of having been stored for months, and the factory manager would not deny that it had been there for some considerable time.

A search on premises at Brunswick revealed 1,470 lbs. of white sugar and 27 sacks, each about 170 lb., of brown sugar in a storeroom in the back of the shop, and 2,940 lbs. of white sugar in an upstairs room of the house adjoining the shop. On visiting the premises first, the officer was informed there was no white sugar in the place. No census return had been supplied.

I pass from Victoria, because no State has a monopoly of such men. There is a large firm of manufacturing confectioners in Sydney, who manufacture a

certain kind of confectionery which honorable members who know me well know I was in the habit of patronizing for some years. On visiting this factory, the officer was shown a stack of about 28 tons of sugar, and was informed that there was no more sugar on the premises, but on the second story of the building about 700 or 800 bags of sugar, approximately 45 to 50 tons, were discovered behind a large quantity of cases. The sugar was completely hidden, and it was only after several tiers of cases were removed that the discovery was made. In this case the secretary of the company directed his employee not to answer questions put to him by the officer of the Department.

On a search of another man's premises in Sydney, after being interrogated, he admitted having a stock of 96 bags, each 70 lbs., concealed in a room of a house about two miles distant from his place of business, in addition to 110 bags each 70 lbs. and two bags each 140 lbs., stored at the back of the shop. His census return showed that he had not more than 252 lbs. of white sugar and 70 lbs. of brown sugar.

These investigations are still proceeding. Unfortunately there are limits to the powers of the Commonwealth in regard to profiteering in the ordinary sense of the word, but there is no doubt whatever as to our powers in regard to this matter. I do not set up as a purist, nor am I a rigid moralist, but I say that the action of these persons is mean and contemptible, and that whatever powers the Commonwealth possesses to punish them will be exhausted in order to do so. Furthermore, if we have to bring down legislation reaching back to the offences I shall not hesitate to come to the House and ask for it. Their action is one of the most contemptible things I have ever heard of.

MR. FENTON.—Does it not show faulty distribution?

MR. HUGHES.—Not at all. There are honorable men and dishonorable men. There are men who are endeavouring to deal fairly, some of them big and some of them small; there is no monopoly of honesty. On the other hand, there are bad men. Being rich or being poor makes no difference. There are rotters in the world, and there are decent men. I may add that there are no cases amongst the

wholesale houses. These cases have occurred among people who hold the sugar for retail or manufacture, and I shall not hesitate, if necessary, to give the names of these firms in order that they may be punished by the law and at the same time earn the contempt of their fellow-citizens. If it were a great private monopoly carrying out this scheme of sugar distribution there might be in the tortuous meandering of their minds some excuse for their actions, but in this case the offenders are trying to take down their fellow-citizens, who are engaged in a great co-operative scheme for the benefit of the community generally. They are trying to take the consumer down to the extent of 3d. or 4d. per lb. for sugar in the near future, and I can hardly find words to express my opinion of them. I began well and moderately by saying that they are "reasonably honest." I will finish in the same way. The Government will pursue the policy indicated, and I feel quite sure that we shall have the support of every honorable member in doing so.

Mr. TUDOR (Yarra) [3.34].—I can assure the Prime Minister (Mr. Hughes) that he will find every honorable member ready to deal harshly with those persons who have refused to furnish the returns required by the Customs Department. I have seen a paragraph stating that the Minister for Trade and Customs intended to follow up certain persons who had not furnished those returns. I hope that they will be dealt with.

Mr. GREENE.—We are following them up, but there are difficulties, as the honorable member will reasonably understand.

Mr. TUDOR.—I know that there are difficulties, but I would rather trust the Customs Department to trace out wrongdoers than any other Department, because they have had considerable experience in this direction. The Prime Minister has shown us that on some of the premises raided there was as much as 70 tons of sugar stored, yet honest traders were prevented from obtaining more than a bag at a time. When the Prime Minister made his statement on the sugar question on Wednesday, he said there was an abundance of sugar, but I can assure him that there are some people who could not get supplies. During the election campaign grocers came to see me, and

pointed out that it was absolutely impossible for them to obtain sugar. I arranged a deputation of them to Colonel Oldershaw, and put the position before him. What I said the other night was absolutely correct. When the housewife went to purchase 12 lbs. of sugar, her ordinary weekly order, she was cut down to 8 lbs., 6 lbs., or even 2 lbs., in some cases. She would be given 1 lb. of brown sugar and 1 lb. of white.

Mr. RICHARD FOSTER.—There was a time when that was absolutely unavoidable.

Mr. TUDOR.—I realize that transport difficulties occurred during the seamen's strike and that of the marine engineers. The Prime Minister did not tell us of any cases of hoarding up of sugar by merchants in South Australia.

Mr. BLUNDELL.—There is nothing of that kind in South Australia.

Mr. TUDOR.—Some of the biggest Customs frauds have occurred in the so-called religious city of Adelaide.

Mr. GREENE.—We are not taking any chances, even in South Australia.

Mr. TUDOR.—The Government should not take any risks in that or any other State. Some manufacturers of jam and confectionery use an enormous quantity of sugar every day, but I believe in compulsory honesty, and we should see that no hoarding up of supplies is taking place. In fairness to those who have been honest and straightforward, the Government should punish those who have refused to furnish returns.

Mr. BOWDEN.—And also those who have furnished false returns.

Mr. TUDOR.—Undoubtedly. I would deal with them just as I would with those who have not sent in any return.

Mr. GREENE.—In the one case a man might have failed to send in a return because he did not know that he had to; while in the other, a man might have known of this requirement and have furnished a false return.

Mr. TUDOR.—I think most people have seen in the press the Minister's notification that returns must be furnished. I read the other day that the Minister had said that every person who holds more than 100 lbs. of jam must furnish a return. Would that apply to

a housewife who had made 100 lbs. of jam!

Mr. GREENE.—If there was any truth in the statements so freely made as to the impossibility of getting sugar for jam making, I do not think there would be many such cases.

Mr. TUDOR.—My own wife has in good seasons made more than 100 lbs. of jam.

Mr. BOWDEN.—My fruit went rotten because we could get no sugar.

Mr. TUDOR.—Very little sugar has been obtainable by housewives. I hope the Minister will follow up this question of the hoarding of sugar. In justice to those who have made fair returns, the Department should see that every one does so.

Mr. FENTON (Maribyrnong) [3.39].—I have, by way of interjection, complained of the faulty distribution of sugar. When standing on a country railway station, I have seen four or five bags of sugar addressed to a private individual, while a storekeeper within a stone's throw of that station could not obtain an ounce. That suggests that influence can be brought to bear in some quarters—I am not referring specially to governmental quarters—to obtain supplies. A branch manager of a firm of grocers, which has six or eight different shops in the metropolis of Melbourne, told me to-day that he was quite out of sugar, and that the other branches were in much the same position. Country storekeepers are hard hit under a system adopted by a big firm of grocers in Melbourne that advertises that a bag of white sugar will be included in a £5 order for groceries. An order is sent by a resident of a country district, and the sugar duly arrives, although the local storekeeper is unable to obtain a bag for distribution among his own customers. I should like the Minister so to arrange the method of distribution that practically all business people, as well as private householders, will have a fair deal.

Mr. GREENE (Richmond—Minister for Trade and Customs) [3.42].—I desire to refer briefly to the question of the distribution of sugar, since there seems to be a general idea that the Government have made themselves responsible for that work. We have never done so.

Mr. FENTON.—Does the Minister say that the Government have no control?

Mr. GREENE.—We have never controlled the distribution of sugar, except that we have said to the Colonial Sugar Refining Company whenever it became necessary to do so, "You must limit the delivery of sugar to all firms to the quantity they received last year." When white sugar was very scarce, we also said to the company, "You must deliver white sugar in certain directions, and make up the balance with brown sugar." That course was adopted to save the fruit crop in many districts, and notwithstanding the criticism levelled at my own head, and at the Government generally, I think it was right.

Mr. RICHARD FOSTER.—In South Australia the Colonial Sugar Refining Company has rigidly carried out that instruction.

Mr. GREENE.—I believe that the Colonial Sugar Refining Company has adhered to both the spirit and the letter of our instructions.

Mr. FLEMING.—And a great deal of fruit has consequently been saved.

Mr. GREENE.—But for our action I am convinced that many a fruit-grower would have lost his crop. We have had to take the odium attaching to the instruction, but believe that we did the right thing.

At the present moment in Victoria, there is an acute shortage. During the engineers' strike, it was impossible for a certain period to bring down our sugar from Queensland in accordance with the arrangements we had made in advance. We have to make arrangements in advance for shifting the sugar from the various refineries, and so distributing it as to meet the demands in all the States. As we have a fairly good idea what the demand will be, we know pretty well where to make our deliveries from time to time. The seamen's strike, however, upset those arrangements. A ship that was chartered to bring some foreign sugar to Melbourne did not arrive within the time anticipated, and, in consequence, there is, at present, as I have said, an acute shortage in this State. We are endeavouring to overcome it, and I believe we shall do so next week, and we shall then be able to resume deliveries of sugar in

Victoria to the full extent of the deliveries during last year.

Mr. RICHARD FOSTER.—Is there to be any alteration in price between now and the 30th June?

Mr. TUDOR.—The trouble is that many people believe that there is to be an immediate increase.

Mr. GREENE.—I am sorry that I cannot to-day indicate to the House exactly when the rise will take place. That will depend on circumstances over which I have no control.

Mr. TUDOR.—Will there be an increase before we meet next Wednesday?

Mr. GREENE.—I do not think so.

Mr. RICHARD FOSTER.—The reason I ask the question is that the Prime Minister made a statement during the election campaign that no alteration in the price would be made during the current year.

Mr. GREENE.—I have not read any declaration by the Prime Minister to that effect, but I did see a declaration made by him towards the end of the campaign that there would be no alteration in the price of sugar within three months of that date, the 8th December. Of course, more than three months have elapsed since he made that statement, and the rise may occur at any time—I cannot say exactly when. When we lay down a general rule that in no circumstances is the Colonial Sugar Refining Company to increase deliveries of sugar over the amount of last year's deliveries, exceptions must, of course, be made. For instance, if a man started business during the current year, and had received some supplies, it would be a cruel thing to declare that his supplies must be cut off. There are other cases in which, in order to save large quantities of fruit in the orchards, we have allowed sufficient sugar to be delivered. All these special circumstances must be dealt with on their merits, but, generally speaking, the rule that people should receive sugar to the extent of last year's deliveries, and no more, has been absolutely adhered to. The one other class of exceptions are the customers of the Millaquin refinery, which has customers in Queensland and elsewhere. Owing to the failure of the sugar crop in and around Bundaberg the Millaquin company was able to refine only about 5 000 tons, as against 25,000 last year. We endeavoured to make up the

company's deficiency, and would have kept the refinery going had not the strike intervened. But owing to the strike the supplies were cut off, and they could not meet the orders of their customers. A good deal of friction arose on that account. The Colonial Sugar Refining Company, of course, had no record of the supplies given to the Millaquin company's customers in the preceding year, and, although we endeavoured to meet the requirements of those customers as far as possible, we had to make sure that applicants were not falsely representing themselves to be customers of the Millaquin company in order to get a double supply. I wish to make it perfectly clear to the Committee that the Government have never undertaken the distribution of sugar or interfered with the normal channels of distribution. We have allowed those to continue as they were before the Government took control of the sugar supplies. That is to say, the Colonial Sugar Refining Company, on the order of a merchant or retailer, distributes direct from the refinery, and the Government has never accepted any direct responsibility in that regard.

Mr. GREGORY (Dampier) [3.50].—I regret that I was not in the Chamber when the Prime Minister spoke on the question of the hoarding of sugar. It does seem surprising that, when investigation showed that certain persons were hoarding sugar in anticipation of an increase in price, no punishments were inflicted. Housewives throughout Australia have been anxious to make jam in order to counteract, at any rate to some little extent, the increased cost of living, but they experienced great difficulty in obtaining sugar. It is idle for Ministers to say that there was no shortage. There was a shortage, so far as the public were concerned, and it was the duty of the Minister, or those responsible for the distribution, to discover the reason, and if persons were found to be hoarding they should have been punished. It may not have been possible for the Minister for Trade and Customs to take direct action against them, but he had control of the distribution, and had I been in his place I would have placed those who were hoarding on a black-list and made them suffer severely.

Mr. GREENE.—In every case where we have discovered hoarding instructions

were issued that deliveries of sugar to such firms or individuals should absolutely cease. Every such case will be treated in exactly the same way.

Mr. GREGORY.—I am glad to have that assurance. Any man who would take advantage of the opportunity given him by the Government to obtain supplies, and then hoard those supplies in order to make an undue profit from the people, particularly at a time like the present, should be punished. I welcome the Minister's statement that he intends to take such action. I ask that progress be reported.

Progress reported.

ADJOURNMENT.

MEMBERS' TELEGRAMS.

Motion (by Mr. GREENE) proposed—
That the House do now adjourn.

Mr. CONSIDINE (Broken Hill) [3.55].
—Since I have attended as a representative in this Chamber, I have been the victim, at one time or another, of the actions of persons outside of Parliament in either interfering with my correspondence or fraudulently using my name in connexion with the despatch of telegrams. Cannot the Postmaster-General and his Department devise some method of protecting members of Parliament in

this respect? I think that when telegrams are presented at a post-office, and purport to have been written by legislators, the members concerned should be identified by the postal officials calling upon them to show their official passes. I have received a message from Broken Hill, intimating that some individual has forged my name to a telegram sent from the Haymarket Post Office, in Sydney. The contents of this "wire" are calculated to have an effect upon the State elections in New South Wales to-morrow. I have been in Melbourne for a fortnight or so, and could not, therefore, have handed in a telegram at the Haymarket in Sydney. Steps should be taken to protect members of Parliament from the frequent recurrence of such incidents as this. I trust that the press will give prominence to my statement that I absolutely repudiate having sent the telegram in question, and I hope the Postmaster-General will take a very serious view of the imposition.

Mr. BURCHELL.—It is certainly a serious matter.

Mr. CONSIDINE.—It is; and I trust that the offender, if he can be traced, will receive exemplary punishment.

Question resolved in the affirmative.

House adjourned at 3.58 p.m.

Members of the House of Representatives.

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Chairman of Committees—The Honorable John Moore Chanter.

Anstey, Frank ..	Bourke (V.)	Johnson, Hon. William Lang (N.S.W.)
* Atkinson, Llewelyn ..	Wilmot (T.)	Elliot
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William		Grampians (V.)
Bayley, James Garfield ..	Oxley (Q.)	Kerby, Edwin Thomas
Bell, George John ..	Darwin (T.)	Ballarat (V.)
Best, Hon. Sir Robert	Kooyong (V.)	Lamond, Hector ..
Wallace, K.C.M.G.		Illawarra (N.S.W.)
Blakeley, Arthur ..	Darling (N.S.W.)	Lavelle, Thomas James ..
Blundell, Reginald Pole ..	Adelaide (S.A.)	Calare (N.S.W.)
Bowden, Eric Kendall ..	Nepean (N.S.W.)	Lazzarini, Hubert Peter ..
Brennan, Frank ..	Batman (V.)	Werriwa (N.S.W.)
Bruce, Stanley Melbourne	Flinders (V.)	Lister, John Henry ..
Burchell, Reginald John ..	Fremantle (W.A.)	Corio (V.)
Catts, James Howard ..	Cook (N.S.W.)	Livingston, John ..
Cameron, Donald Charles	Brisbane (Q.)	Barker (S.A.)
Chanter, Hon. John Moore	Riverina (N.S.W.)	Mackay, George Hugh ..
Chapman, Hon. Austin ..	Eden-Monaro	Lilley (Q.)
	(N.S.W.)	Mahon, Hon. Hugh ..
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* Considine, Michael Patrick	Barrier (N.S.W.)	Mahony, William George ..
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Joseph, P.C., G.C.M.G.	(N.S.W.)	Makin, Norman John
Cook, Robert ..	Indi (V.)	Hindmarsh (S.A.)
Corser, Edward Bernard	Wide Bay (Q.)	Oswald
Cresset		Maloney, William ..
Cunningham, Lucien	Gwydir (N.S.W.)	Melbourne (V.)
Lawrence		Marks, Walter Moffitt ..
Fenton, James Edward ..	Maribyrnong (V.)	Wentworth (N.S.W.)
* Fleming, William Mont-	Robertson (N.S.W.)	Marr, Charles William
gomerie		Parkes (N.S.W.)
Foster, Hon. Richard	Wakefield (S.A.)	Clanan
Witty		Mathews, James ..
* Fowler, Hon. James	Perth (W.A.)	Melbourne Ports (V.)
Mackinnon		Maxwell, George Arnot ..
Francis, Frederick Henry ..	Henty (V.)	Fawkner (V.)
Gabb, Joel Moses ..	Angas (S.A.)	* McDonald, Hon. Charles ..
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Greene, Hon. Walter	Richmond (N.S.W.)	McWilliams, William James
Massy		Franklin (T.)
Gregory, Hon. Henry ..	Dampier (W.A.)	Moloney, Parker John ..
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Ernest		Nicholls, Samuel Robert ..
Hay, Alexander ..	New England	Macquarie (N.S.W.)
	(N.S.W.)	Page, Earle Christmas
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Hill, William Caldwell ..	Echuca (V.)	Grafton
Hughes, Right Hon. Bendigo	(V.)	Page, Hon. James ..
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		South Sydney
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		Rodgers, Arthur Stanis-
		Wannon (V.)
		laus
		Ryan, Hon. Thomas
		West Sydney.
		Joseph
		(N.S.W.)
		Ryrie, Sir Granville de
		North Sydney
		Laune, K.C.M.G., C.B.,
		(N.S.W.)
		V.D.
		Smith, Hon. William
		Denison (T.)
		Henry Laird ..
		Stewart, Percy Gerald ..
		Wimmera (V.)
		Story, William Harrison ..
		Boothby (S.A.)
		Tudor, Hon. Frank Gwynne
		Yarra (V.)
		* Watkins, Hon. David ..
		Newcastle (N.S.W.)
		Watt, Right Hon. William
		Balaclava (V.)
		Alexander, P.C.
		West, John Edward ..
		East Sydney
		(N.S.W.)
		Wienholt, Arnold ..
		Moreton (Q.)
		Wise, Hon. George Henry
		Gippsland (V.)

1. Sworn 27th February, 1920.—2. Sworn 3rd March, 1920.—3. Appointed Temporary Chairman of Committees.
4th March, 1920.—4. Made affirmation 5th March, 1920.

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